

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

GENLYTE THOMAS GROUP LLC,  
a Delaware Limited Liability Company  
Plaintiff,

v.  
ARCHITECTURAL LIGHTING SYSTEMS, a  
division of ARCH LIGHTING GROUP, a  
Rhode Island Corporation  
Defendant.

Civil Action No. 05-CV-10945 WGY

**GENLYTE THOMAS GROUP LLC.'S  
REQUESTED JURY INSTRUCTIONS**

These submitted instructions are based upon the charge given by The Honorable William G. Young in *The Read Corporation , et al. v. Powerscreen of America, Inc. et al.*, Civil Action No. 96-11025-WGY, February 23, 2001. Pertinent changes or changes with reference to the present case are represented in italics and a citation of authorities is listed where applicable. A transcript of the instructions in the *Read* case is attached hereto as Exhibit A. Genlyte Thomas reserves the right to request modification of these instructions depending upon the presentation of evidence at trial.

**PRELIMINARY INSTRUCTIONS**

Now the way the lawyers and I have worked this out, the way we think this makes this most intelligible for you, is to have me go first and explain to you in detail the law which you must follow in this case.

When I'm done explaining the law we'll take a break. Then the lawyers will get a chance to talk about the evidence and urge you to certain conclusions within the legal framework as I describe it. When that's done I'll just give you some explanation about how you may deliberate together, how juries deliberate together, and then the case is yours.

So we start this morning with my explanation as to the law which must govern in this particular case. Understand that just as soon as he can, and he's very quick, Mr. Womack will prepare a transcript of my charge now. But he can't get to that until after we send you out. So you're going to have to start your deliberations before you have the written charge. But we will send in, without any interruption, just as soon as we have the written charge, we'll send in one copy to you so you actually have the written charge before you. (*Read Instructions p. 2-3*)

But you must listen carefully now because this is a form of law teaching. This is like a law class here. And it's a little stilted because you can't raise your hand now and say, well, you didn't explain that very well, explain that a little better. But what you can do if you don't understand any aspect of the law, write out your question, write it out, there will be a court security officer outside the door here, come out the door, give the question to the court security officer, we'll set things all up in here, we'll have you back in the courtroom and I will explain it better. Don't hesitate to do that. If justice is to be done here you people must understand the law in the case, and I must be good enough to teach it to you. So if you have any questions about the law be sure to ask them, don't just go ahead without understanding what the law is.

I start my charges by a brief explanation of what our separate roles are, and then from there we'll go into what the evidence has been, at least the tools you have to do the job, and then from there we'll go directly into what the law is that governs this case.

(*Read Instructions p. 3*)

### **ROLE OF THE JURY**

First your role. You are the judges of the facts. The only judges of the facts. Though I will necessarily have to make mention of evidence and make mention of particular witnesses, that's only to remind you of testimony or evidence that may, it's entirely up to you, bear on certain aspects of the case. You're the judges of the evidence. I have nothing to say about the evidence.

Now, you're going to judge the evidence as I said at the beginning of the case fairly and impartially without any bias or prejudice, without any sympathy for anyone, without any desire that anyone be punished or have revenge. Carefully and coolly sifting through this evidence – an appropriate term in this case – sifting through this evidence to see that justice may be done.

Your verdict must be unanimous. We're going to ask you certain questions that can be answered like yes or no. So you must be unanimous as to a yes, you must be unanimous as to a no. And unanimous means that you all come genuinely to agree. And you'll deliberate. Not that ten of you think this and the other couple go along with it. It must be a genuinely unanimous verdict.

And your verdict must be concentrated entirely on the evidence. You can, and I know how carefully you will listen to the lawyers the better to understand the evidence. You may look at the demonstrative aids the better to understand the evidence. But the evidence is what governs and you, and you alone, decide what you believe about the evidence.

Now, I'm the judge of the law. I've said that a number of times. I simply mean to point out to you that in this courtroom I'm the one who has the responsibility of teaching you the law. We make a careful record of what I've said. And that's the fair way.

You cannot quarrel with the law as I explain it to you. I'm going to tell you who has to prove what in this case. I'm going to tell you the burden of proof that that side bears. And there's no dispute here who has to prove what. *Genlyte Thomas* has to prove, do the proving here.

But you can't add to the parties' burden. You can't say gee, I, I really want them to show us this or that. But likewise you can't subtract from their burden. When I say they've got to prove something, then they have to prove that. You can't say, well, forget about that because this or that, something else is proved. I'll tell you what has to be proved and what the burden, what the standard of proof is.

Listen to my whole charge start to finish. Don't seize on one part of it and say, "Aha, the case turns on this or that." Listen to the whole charge and consider all aspects of the charge together.

Likewise, don't think that because I charge you as to all aspects of the case that I think anything is proved or not proved. I have nothing to say about that. I simply am trying to build for you a complete mental framework so that you will understand the law which you have to follow. That's my role.

Now, I emphasize that you must confine your analysis to the evidence. So let's take a moment and go over the evidence in this case, not witness by witness but rather type by type, so that you know what tools you have. (*Read Instructions p. 4-6*)

### **EVIDENCE**

The first thing I think of is the testimony of the witnesses. You have the power to believe everything of the witnesses. You have the power to believe everything that any witness said to you here from the witness stand. To believe it all. Equally, you have the power to disbelieve and disregard everything a witness said as though that witness never testified. Between those two extremes you have the power to believe some things a witness says but to disbelieve other things the witness says. You are not prevented from reaching a verdict because one witness has testified to one version of an event and another witness has testified to another version of the same event and both witnesses were under oath. You can believe one or believe the other. You can decide where the truth lies.

How do you do it? You use your common sense as you are reasonable men and women. You may use everything. You know about the witness. How did the witness impress you testifying on the witness stand? How did the witness respond to questions both on direct and on cross-examination? What was the opportunity of the witness to observe, to comprehend, to understand, to recall those matters about which the witness testified? Does the witness stand to gain or lose anything depending upon how the case comes out? Is the witness allied with, employed by one side or the other in the case? Do those things affect the witness' testimony? Is the testimony of the witness backed up – lawyers say corroborated – by other evidence in the case? The exhibits or depositions or any other evidence in the case. Or, does the other evidence in the case undercut, take away from, make less believable the testimony of the witness who is before you?

In short, you can sum up a witness' testimony and as reasonable men and women you can decide what you believe. (*Read Instructions p. 6-7*)

### **EXPERT WITNESSES**

Some witnesses have been allowed to give their opinion about certain things. The law provides that when a witness has background, experience, training that the judges and juries don't have, we'll let that witness render his opinion to the jury to aid the jury in doing their function.

Like any other witness, your powers with respect to opinions given by *these* witnesses are no different. That is, if I've allowed you to hear an opinion you may believe it; but equally you may disregard it. You may decide that's just not believable, that's not credible. Or you could believe part of what a witness says and disbelieve other parts of an opinion given by a witness. It's left to your good judgment.

I suggest to you that in evaluating opinion given by *these* witnesses you want to look at what undergirds them or underlies them, what was the witness relying on? How did the witness come to that opinion? Both by their experience, generally having nothing to do with this case, but also what do they know about things having to do with this case upon which their opinion rests.

You're the judge of that. So with respect to opinions you may believe them, but you may disbelieve them or believe them in part. (*Read Instructions p. 7-8*)

### ***[OMITTED – TESTIMONY BY DEPOSITION]***

(*Read Instructions p. 8-9*)

### **EXHIBITS**

Now, in this case also there are a large number of exhibits. And shortly after we send you out, once the arguments are over, when we send you out to begin your deliberations, those exhibits will be brought into the jury room.

Well, they're evidence. Now, I'm talking about the exhibits that are evidence, not the charts that are not evidence, though some charts are evidence.

Exhibits are like the testimony of witnesses and your powers are exactly the same. That is, you may read, look at, view an exhibit, and if it persuades you of some aspect of the case that's perfectly appropriate because it's evidence.

But equally, if you don't find an exhibit believable, either because you don't, because you think it's a fake, I'm not suggesting anything is a fake, but if you don't think it's genuine, or if you come to believe that even though this may be genuine, it's either inaccurate or it doesn't help you, disregard it. That's your power. You're the judges of the facts. And as with any other evidence in the case you could take part of an exhibit and say, well, this is persuasive, but another part is not persuasive. (*Read Instructions p. 9-10*)

### **STIPULATIONS**

Lastly, you have some stipulations in this case. *I've read them.* The lawyers read them. And they're designed to shorten the time and make things clear to you. Stipulations are agreements among the lawyers, as they represent their clients. That's evidence. But that is special. That evidence is not disputed. So you don't have the right just to disregard it. You take that as given. Lawyers have agreed to that so we'll start out with that taken as given. It's evidence. (*Read Instructions p. 10*)

### **DELIBERATIONS**

Now, that's the body of evidence that you have in this case. A few words about what you do with it, how you analyze it.

You use your common sense. You don't check your common sense at the door to the jury room. Rather I charge you to apply your common sense to the evidence in this case to the end that justice may be done.

At the same time, you don't go in there and guess or speculate or maybe or perhaps or even probably. What we need is, as to most of the case, *Genlyte Thomas* is going to have to prove it by what I call, what the law calls a fair preponderance of the evidence. And as to one part of the case, if your verdict was to be for *Genlyte Thomas*, it would have to be by clear and convincing evidence. And I will tell you the two parts.

But my point is you don't guess. You don't speculate. But you can use your common sense as you are reasonable men and women and you can draw what are called reasonable inferences.

Now, a reasonable inference is a logical deduction. It's common sense. And I'm going to give you an example that has nothing to do with this case better to illustrate what a reasonable inference is and also to illustrate how far you can take it.

Let's say we have a witness and she testifies that she's walking along a road and she looks out and there's a field of tall grass . . . and she sees through the grass the grass is all knocked down in an irregular course through the field. And suppose you believe that testimony. From that alone you could infer something went through the field. I mean, it just doesn't happen that grass falls down along a path unless something knocks it down. It isn't all fallen down in a windstorm, it's fallen down in a course through the

field. So it's a reasonable inference that something went through the field. We don't have a witness who saw the something, but there's a reasonable inference something went through that field.

Now, that's a reasonable inference. But unless you had other evidence from some other source in the case you wouldn't know what went through the field. A child. An adult. A big animal. A small animal. You just wouldn't know. That would be guessing.

Now, there might be other evidence and you can draw inferences from it. But the reasonable inference, if you believe the witness I gave you as an example, is something went through the field. But you can't guess about it unless there's other evidence. That's reasonable inferences.

Okay. We've talked about our roles. We've talked about the tools that you have to resolve this case. I want to say just a very few words about what's not evidence in the case, not to emphasize it but just point out to you what's not evidence in the case. (*Read Instructions p. 10-13*)

....

You're not going to judge this case in any way, shape or form based upon how you react to the lawyers as human beings. They've done their job, and they will later on this morning keep on doing it for their respective clients, and so far they've done a fine job. I mean that. But it plays no role in what you do. You've got to focus on the evidence. The lawyers are not sources of the evidence. And your reaction to them plays no role.

Equally important. If you somehow think that I think something about this case based upon the manner in which I have presided over it, I most earnestly instruct you to

disregard it. I don't. And I tell you candidly I have no idea how this case will come out, nor is it my business. My business is to teach you the law.

This, however, I tell you and this I believe passionately. I believe in the jury system. I believe that you will do justice in this case. But I, clear as I am about constantly saying, oh, yes, I'm the judge of the law, I have nothing to say about the facts in this case. I believe that you will justly and impartially decide the facts in this case. Now let's get to it. (*Read Instructions p. 13-14*)

....

### **BURDEN OF PROOF**

*Genlyte Thomas* brings this case. *Genlyte Thomas* is the plaintiff in this case. So *Genlyte Thomas* has to prove the case. *You have heard the name Lightolier in this case. Lightolier is a part of Genlyte Thomas – it is a division of Genlyte Thomas and you shall treat it as if it were Genlyte Thomas.* And for most of the case the burden of proof on *Genlyte Thomas* is what we call proof by fair preponderance of the evidence. There's one part where the burden's different, but I'll hold that off until I get there.

Proof – this is not a criminal case where proof is proof beyond a reasonable doubt. This is a civil case where the burden of proof is proof by a fair preponderance of the evidence. And in such a case that simply means that on those things that I'm going to tell you that *Genlyte Thomas* has to prove, they've got to prove those things are more likely true than not true. More likely to be the case than something else. It's not a question of how much evidence there is on one side or the other, it's a question of what you believe about the evidence which you've seen and heard, and does that convince you unanimously that it's more likely, by a fair preponderance, those things that *Genlyte*

*Thomas* has to prove is the truth. Now, if something else is more likely the truth *Genlyte Thomas* hasn't proved it. If on all the evidence that you do believe that evidence tends equally to two equal but opposite conclusions, *Genlyte Thomas* hasn't proved it. But so long as on the evidence you believe that's more likely to be true than something else, you may take it that that point is proved by a fair preponderance of the evidence. (*Read Instructions p. 15-16*)

### **PATENT EXPLAINED**

This is a patent case. Patents are mentioned in the Constitution of The United States. A patent gives to the inventor or inventors, or to their successors in interest, a period of exclusivity for the use of their invention. And that simply means that no one may use the patented invention without first getting permission from the people who hold the patent. The period of exclusivity extends for 20 years from the date of the filing of the patent. And the patent owner is entitled to refuse to give anyone else permission to practice the invention.

This case involves United States Patent 5,038,254. We're calling it the '254 patent. And I'm referring to it in the verdict slip as, the '254 patent. (*Read Instructions p. 16*)

. . . .

Some things are not really disputed in this case. And let me just explain those. Even though they're evidentiary, there's no real dispute.

There's no real dispute here but that *Genlyte Thomas* really does own the '254 patent. It is *Genlyte Thomas'* patent. Second, there's no real dispute . . . that *this is* a valid patent. *It's* valid. And *Genlyte Thomas* owns them. . . . (*Read Instructions p. 17*)

....

A few more words about patents. Why do we give the inventor this right, this exclusivity right to practice the patent for a period of years? It's a trade-off.

The federal government says to the inventor under the law we'll give you the exclusive right, the exclusive use of this invention for a period of years. But, in return you have to teach the world how to make this invention, how to use this invention.

And why do we want that? We want that as a matter of social policy because we want inventions. We give the period of exclusivity as a reward. The inventor is entitled to the reward whether or not the inventor uses, practices its own invention.

Now, a patent, and I've shown you *it* and the lawyers have shown you *it*, is a document. And it's divided into parts. It may have drawings. It has *a specification*. And the *specification teaches* you a way, at least teaches you a way to practice the invention. This is not necessarily the only way to practice the patent. *Genlyte Thomas* may or may not manufacture a product as shown in the *specification*. [*Genlyte Thomas believes the applicable terms is "specification" singular.*] It is not necessary to its claim that it do so. And at the end of each patent there are claims. And it is the claim of the patent that describes the area of exclusivity. It's not how the patent holder –*in this case, Genlyte Thomas* - chooses to practice the patent. *Genlyte Thomas has the right to exclude others, including ALS from using its invention as claimed in the patent.*

So be very clear. the comparisons – because in your infringement analysis you're going to have to make comparisons. The comparison is between the written claim of the patent and the devices alleged, the *ALS MulTmed and Latitude fixtures here*, alleged to violate, to infringe that claim. That's the comparison. *It is not a comparison of ALS'*

*fixtures to Genlyte Thomas' fixtures. It is a comparison between the claims of the 254' patent and the ALS products.*

Now, in making that comparison you're of course entitled to look at what the patent holder itself manufactures. *You may look at the Genlyte Thomas fixtures and compare the fixtures with the MulTmed and Latitude fixtures.* But that doesn't end your analysis. You've got to look at the claim. Because under the law it's the claim compared to the allegedly infringing device. (*Read Instructions p. 18-19*)

### **CLAIMS AGAINST OTHER COMPANIES**

And this is the time to make mention of something else here and something that I'll explain to you how I drew the line where I drew it.

Mention has been made in testimony, about other devices manufactured by other people, *not ALS*, and what happened to those devices. *Maybe they were licensed; license is permission.* We've heard about other lawsuits, maybe they were settled. Maybe some other court decided some other lawsuit. And we've heard some other devices were withdrawn from the market. Taken off the market.

Well, that's some evidence. You may look at those other devices and compare then with the *ALS devices*, compare them with the *Genlyte Thomas devices*. But ultimately compare them to the claims of the patent. And why are you allowed to do that? Having looked over the *devices* themselves, to get a better idea as to whether the *ALS devices*, whether they violate the claim of the patent. That's the only reason we got into other lawsuits and other machines by other people, to give you a fuller picture.

I didn't let you hear what other judges had to say. Not because I'm better than those other judges. . . . But you can't try a case that way. It's got to be one teacher of the law, in this case it's me.

But the fact of other litigation, if you believe that actually took place, that's a fact, that's for you, and you may consider it. (*Read Instructions p. 20*)

### **CONSTRUCTION**

Okay. Let me go, before I pass out the verdict slip, let me go back over some things that I mentioned at the very beginning of the case. This patent claim, this patent given by the government, is similar to a, to a statute passed by congress. It's a government grant of exclusivity. It's a government grant by the patent holder to *Genlyte Thomas* saying you have the exclusive right to practice the invention set forth in your claim. And so when there arises a dispute about what's claimed, because it's like a law, and because judges are skilled, are expected to be skilled in interpreting the law and explaining the law, I am given the responsibility to explain to you what the claim means. And I've exercised that responsibility in this case, and I want to go back over it because I'm focusing on the claims that are really in dispute here.

And let me call to your attention the claims that are really in dispute here. . . . In this case we have been specifically concerned with a portion of *Claim number 1. You find it in Column Number 3 of the 254' patent. Down at the bottom of Column 3, Line 36 to Line 47.* And the key language that we are concerned with here is language which reads like this: (*Read Instructions p. 20-21*)

*Claim 1:* *a medical lighting system comprising:*  
*a body;*

*means for ceiling mounting said body;*

*a first light fixture within said body oriented to direct light downwardly to a selected reading area under said body;*

*a second light fixture within said body oriented to direct light downwardly and outwardly to a vertical wall surface outwardly adjacent from said body whereby light is reflected back to a broad area under said body.*

Now, I said it before, but now of course you understand why that's an important aspect of this dispute. Here's what that means legally.

. . . .

*In this case Genlyte Thomas and ALS agree about the meaning of several parts of the claims. Genlyte Thomas and ALS do not agree about the meaning of other parts of the claims. It is my duty to interpret these contested words and groups of words for you.*

*I will now tell you the meanings of the following words and groups of words from the patent claims. You must use these meanings in your deliberations concerning infringement.*

1. *“oriented to direct light downwardly” means to “set or arrange to direct more light in a downward direction than in an upward or outward direction.” When I say downward, I mean that the light is not directed upwardly or outwardly. For example, if the degrees of a circle are arranged vertically with 0 degrees being straight down and 180 degrees being straight up, then downwardly is anything in a downward direction between 90 degrees and 270 degrees.*

2. “a vertical wall surface outwardly adjacent from said body” means “a vertical wall surface next to or near either end of said body”.
3. “oriented to direct light downwardly and outwardly” means “to set or arrange to direct more light in a downward and outward direction than in an upward direction.”

*Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 34 USPQ2d 1321 (Fed. Cir. 1995).

### **VERDICT FORM**

All right. Now, those are the key definitions at issue and now I think it's time to pass out the verdict slip. (*Read Instructions p. 23*)

(pass verdict slip to jury)

We've made this verdict slip just as simple as humanly we can make it and nevertheless get from you the answers we need for me to enter judgment in this case.

....

### **BASIS OF LIABILITY**

Now, *Genlyte Thomas* owns the '254 patent, and I've said that the key definitions here, and I've given them to you.

....

As to the '254 patent, *Genlyte Thomas* has three different bases of liability, three different ways to win. Now, of course, *ALS* disputes all three. But I need to explain each of the three. . . . And I've spelled out the three on *Verdict Forms 1, 2 and 3* respectively.

*Genlyte Thomas* claims now as to *claims 1*, that the *MulTmed* and *Latitude* devices literally infringe by making and selling them. And they say, well, if the

*MulTMed and Lattitude* fixtures don't literally infringe, *they* infringe by the doctrine of equivalents. *And they say, and what's more, the way ALS was making the fixtures it was an inducement to other people to infringe by using them in an infringing manner.* And I need to explain each *one*.

I'm going to go through each of the three *bases of liability* that *Genlyte Thomas* has asserted. (*Read Instructions p. 24*)

. . . .

### **LITERAL INFRINGEMENT**

What does it mean to infringe the claim of a patent? It means that the infringing device, you look at the claim of the patent and you look to see whether the infringing device, the actual thing, not plans or something, though you can look at plans because they tell you what the actual thing looks like, but in order for there to be infringement the, the device has to be sold or offered for sale in the United States of America. *The ALS MulTmed and Latitude products are sold and have been sold in the United States.* (*Read Instructions p. 25*)

. . . .

In order for there to be literal infringement the alleged offending device must have present it its configuration each and every element or aspect of *claim 1* in the '254 *patent*. And you take *claim 1*, you take it separately. You can look at all the other claims, but each claim is a separate grant of exclusivity. So you focus on *claim 1* and then you say *does the MulTmed and Latitude devices have each and every element of claim 1 present in it?* If it does, it's infringement. It infringes. If only one element of the claim is missing there's no infringement, even if all the others are present. If there

are other things added, made more sophisticated, made better, it still infringes so long as it has every element of what's claimed. Miss an element and there's no infringement. But add to the elements, make the elements better, still infringement so long as it has every element of the claim.

For example, in this case *claim 1* of the patent is an independent claim, it is a separate claim and you look at it separately. If you find *that either the MulTmed 2x2 (MT1D and/or MT1E), MulTmed 2x4 (MT2) or Latitude products* has each and every element of *Claim 1* in it, then they infringe.

It's possible that you could have a machine that isn't as good, it's inefficient, doesn't work as well, but it has every element of the claim. Inefficient infringement is still infringement. (*Read Instructions p. 25-27*)

*A person does not have to intend to infringe. A person can directly infringe a patent without knowing that what it is doing is an infringement of the patent. It may also infringe even though in good faith it believes that what it is doing is not an infringement of any patent.*

35 U.S.C. 271(a); *Filmways Pictures, Inc. v. Marks Polarized Corp.*, 552 F. Supp. 863, 868, 220 USPQ 870, 873 (S.D.N.Y. 1982).

So you ask yourself is every element of the claim, the claim now, you can look at everything, look at the fixtures, look at all the evidence, but your comparison is *Claim 1* versus *the MulTmed and Latitude* allegedly infringing devices. If every element of *Claim 1* is present in the infringing device then what you have is literal infringement.

....

So that's the first *basis of liability*. (*Read Instructions p. 27*)

### **DOCTRINE OF EQUIVALENTS**

The second *basis of liability* is infringement by the doctrine of equivalents. Now, what do we mean by that?

Remember that I've already said that if you build a device that's very similar to the patented device, but you omit an element, you leave an element out entirely, there's no infringement.

Likewise, it is perfectly legal to design around a patent. You read the patent and you learn from the patent. This is the idea, you learn from the patent. You say, well, this is a good idea. But I can build a better mousetrap, one that's different, better. It doesn't even have to be better. Different, different than the patented device *as defined by the claims*. The law encourages that. The only thing that *Genlyte Thomas* is protected on, the only thing that it has exclusivity on is the patented device specifically claimed in the claims.

Yet the law says this. An unscrupulous copier who changes the device a *little* bit may still be guilty of infringement. And that's known as infringement by doctrine of equivalents. Build a different device, the law encourages that. But if you build what's really the equivalent device, from the patent, the law will hold that infringement. (*Read Instructions p. 27-28*)

And so we're following here, that's what *Genlyte Thomas* claims here. . . . *It claims that a fixture contained in each ceiling-mounted body of each ALS accused products are set or arranged to aim[direct] the light downward to a selected reading area, another is set to aim [direct] light downward and outwardly to a vertical wall which reflects back under the body.* (*Read Instructions p. 28*)

What does that require of you? That requires of you to look at *Claim 1* again.

We always start with the claim. But look carefully at *Claim 1*. And then ask yourselves this. Again, now, if there's an item, an aspect, they call them limitations, that exists in the claim, and it's missing in *the MulTmed and Latitude* devices, there is no infringement, no infringement under the doctrine of equivalents. And in, in answering that question you must take the definitions from me, you can look at the, the patent, that's where you should start, but you can also look at this prosecution history. We have them in there with blue ribbons and gold seals on them. I mean, look at what's going on between what *Genlyte Thomas* is saying to the Patent Office, what the Patent Office is saying to *Genlyte Thomas* and the like and what's going on.

So understand what the limitations are, what the aspects of the specific claim are, you can look at that.

Now, here's the key test for doctrine of equivalents. Ask yourself whether the *MulTmed and Latitude* devices with respect to each aspect, each aspect considered separately, of the claim has substantially the same means, substantially the same equipment used, performing in substantially the same way, to achieve substantially the same result. If *Genlyte Thomas* persuades you by a fair preponderance of the evidence that the *MulTmed and Latitude* devices do that, as to each element now of the claim, if it uses substantially the same means, which performs in substantially the same way, to achieve substantially the same result that's infringement by the doctrine of equivalents. Now, if any one limitation is missing, any one aspect of it is missing, there's no infringement at all, doctrine of equivalents or literal infringement. (*Read Instructions p. 28-30*).

*But if one aspect is merely changed, there is infringement under the doctrine of equivalents if the changed element perform substantially the same function in substantially the same way to achieve substantially the same result.*

*As with literal infringement, a person does not have to “intend to infringe” under the doctrine of equivalents. A person can directly infringe a patent without knowing that what it is doing is an infringement of the patent. It may also infringe even though in good faith it believes that what it is doing is not an infringement of any patent.*

35 U.S.C. 271(a); *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 478, 181 USPQ 673, 677 (1974); *Filmways Pictures, Inc. v. Marks Polarized Corp.*, 552 F. Supp. 863, 868, 220 USPQ 870, 873 (S.D.N.Y. 1982).

....

### **INDUCEMENT TO INFRINGE**

Now, *Genlyte Thomas* has a third *basis* of liability. . . .Here is its *basis* so you understand it. (*Read Instructions p. 30*)

....

*Genlyte Thomas is going to argue to you that in urging its customers to use the MulTmed or Latitude is inducing them to infringe the ‘254 patent by using it. Also Genlyte will argue that the way ALS tells its customers to arrange their ceiling-mounted body in relationship to the headwall of the hospital bed is an inducement to infringe. That the way the body is mounted is such that the closer the body is mounted to the headwall, the more light is directed off the headwall and ALS tells its customers to mount to the ceiling close to the headwall. And ALS may not have done it themselves. But on inducement to infringe . . . Genlyte Thomas has to show that what they had in mind was, well, we won’t do it but the people we sell it to are going to know to just mount this*

*ceiling-mounted body with multiple fixtures* near or adjacent to the headwall, and make an infringing device.

And if that's what *ALS* was doing, it can't get around the patent laws that way. That's inducement to infringe.

But there's a limitation on that. So be very clear on this. And it's set up here in the, in my *Verdict Form*.

There has – you have to believe by, again by a fair preponderance of the evidence, that somebody did it. There can't be any inducement to infringe unless in the United States somebody was infringing. Whatever they had in mind, if the people to whom they sold them or leased them in the United States didn't do it, they may have, even if you think, well, they wanted infringement, or they wanted to induce people, if people didn't do it there cannot be inducement to infringe. (*Read Instructions p. 30-31*)

. . . .

### **DAMAGES**

Now, those are Genlyte Thomas' *basis* of liability. Liability means shall Genlyte Thomas recover from *ALS*.

Now I'm going to come to the part where I tell you if you do find infringement of *this* patent, on any of the *bases of liability* that I have explained to you, what are the damages? And you see I ask you that . . . in *Verdict Form 4*.

Let me pause here. Remember, now, *ALS* has denied infringement under, against any of these theories and *ALS* has put on evidence and the like. And if you don't think *Genlyte Thomas* has proved infringement under any *basis of liability* by a fair preponderance of the evidence your verdict will be for *ALS*, and you shall express such

*finding on Verdict Forms 1, 2 and 3.* And if that's so the case is over, you don't have to answer *Verdict Form 4*, the foreperson signs it and dates it and that's how you return your verdict.

So we only get to damages if I assume that you've answered for *Genlyte Thomas* on *any part, or all of, Verdict Forms 1, 2, or 3.* And here's a perfect example of what I'm talking about.

The fact that I'm now going to explain damages in detail to you doesn't mean that I think they're proved or not proved, I just have to explain everything to you.

Damages. Damages are designed to, if you find liability, that is, you find infringement or inducement to infringe, the damages are designed to compensate *Genlyte Thomas* and put *Genlyte Thomas* where it would have been had there been no infringement. That's the theory. Damages are designed fully and fairly to compensate *Genlyte Thomas*. But, the damages do not reward *Genlyte Thomas* or punish *ALS*. But what they are is full, fair compensation of *Genlyte Thomas*. And *Genlyte Thomas* has to prove the damages. And *Genlyte Thomas* has to prove the damages again by a fair preponderance of the evidence.

Now, in a case like this, any case like this, I'm not talking specifically about this case, but in any case like this the law recognizes that you can't prove the damages down to the last nickel. So the law allows you as members of the jury to make good faith, careful estimations if *Genlyte Thomas* proves, it's not guesswork, it's not speculation, but, but *Genlyte Thomas* is not to be held to prove to absolute mathematical certainty the specific damages. It is to be held to prove by a fair preponderance of the evidence on a recognized analytic theory what its damages more likely than not are.

So let's talk about the damages. At a minimum, at a floor if there is infringement *Genlyte Thomas* is entitled to a reasonable royalty as though it licensed its invention to *ALS*. Now, it didn't license its invention to *ALS*. There's no evidence that *Genlyte Thomas* ever would have licensed its invention to *ALS*. And you may take it that *Genlyte Thomas* didn't want to license its competitor, *ALS*, *Genlyte Thomas* wanted to make the profits for itself, even though they would have gotten a royalty.

But as a minimum the law requires that what's happened has happened and if nothing else is proved *Genlyte Thomas* is at least entitled to a reasonable royalty which it would have gotten if it had licensed the practice of the invention to *ALS*.

Now, you knew this was coming. You've heard one of the witnesses who has performed a reasonable royalty calculation for you, *Mr. Tate*, and you're entitled to believe it, you're entitled to disbelieve it. You're entitled to make alterations to it based upon what you believe. But there are factors that the law says we must consider and I must teach you those factors, there's a bunch of them, and I'm going to go through them right now.

You must consider, first, the royalties, if any, that *Genlyte Thomas* received for licensing other people under either of its patents.

Second: The rates paid for the use of other patents that are comparable to the *Genlyte Thomas* patents.

Third: The nature and scope of the license that reasonable you would expect would be negotiated. Would it be an exclusive license or a nonexclusive license? Would it be restricted as to territory or non-restricted.

Now, remember it would have to be restricted to the United States because these patents aren't good worldwide, they're good in the United States.

Would it be restricted in any way with respect to whom the manufactured product would be sold.

Four: Did *Genlyte Thomas* have an established policy and marketing program to maintain its patent exclusivity by not licensing to others to use the invention, or was its policy to grant license under special conditions designed to preserve its patent exclusivity.

Five: What's the commercial relationship between *Genlyte Thomas* and *ALS*? Are they competitors in the same territory, here the United States, in the same line of business? Or is one an investor or promoter of this technology?

Six: What would be the effect of selling the . . . the patented item in promoting the sales of other *Genlyte Thomas* products? In other words, if you can sell the patented product is that going to raise your sales of other products which you manufacture?

That will give you a handle on the existing value of the invention to *Genlyte Thomas* as a generator of sales of its nonpatented *items*. So you want to consider the extent of those derivative sales.

Seven: The duration of the patent. How much longer did it have to run at the time – and you start figuring when the hypothetical royalty would have existed. You start figuring that at the time when the infringement started. Because the theory here is that you are finding infringement. So if you find infringement then how much longer *does* the patents have to run recognizing that *it expires* in 2011.

Nine: The utility and advantages of the patented items over older modes or devices, if there is any advantage. You compare them to the other things that are used in the industry to achieve results similar to the patented item.

Ten: The nature of the patented invention. The character of its commercial embodiment. That means the things that *Genlyte Thomas* was actually producing. The benefits to those who have used the invention.

Eleven: The extent to which *ALS* made use of the *Genlyte Thomas* invention in its own marketing and production, and any evidence probative of that use.

In other words, if you think *ALS* was infringing then how would that bear on the deal that would be cut relative to a reasonable royalty. Because you would have to consider the costs of a lawsuit and the likely result of the lawsuit.

Twelve: The portion of the profits or of the selling price that may be customary in a particular business or comparable business to allow for use of the invention or similar inventions.

Thirteen: The portion of the realizable profit that should be credited to the invention as distinguished from nonpatented elements, the manufacturing process, business risks, significant features or improvements that *ALS* could bring to the license.

You may consider the testimony of those who I've permitted to give opinions on this issue.

And last, Fifteen, you may consider any other economic factor that normally a careful businessperson would under similar circumstances take into consideration in negotiating such a hypothetical royalty. (*Read Instructions p. 32-37*)

*For example, there is no rule in the patent law that says that the amount of damages ALS must pay (if actually liable) is “capped” by the profit or amount of profit (or loss) that ALS claims is attributable to these products.*

*Georgia-Pacific Corp. v. United States Plywood Corp.*, 318 F. Supp. 1116, 166 USPQ 235 (S.D.N.Y. 1970), *modified and aff’d sub. nom., Georgia-Pacific Corp. v. United States Plywood Champion Papers, Inc.*, 446 F.2d 295, 170 USPQ 369 (2d Cir.), *cert. denied*, 404 U.S. 870, 171 USPQ 322 (1971); *TWM Mfg. Co. v. Dura Corp.*, 789 F.2d 895, 898-900, 229 USPQ 525, 526-28 (Fed. Cir. 1986).

....

*Those are the damages Genlyte Thomas is seeking from ALS. It wants a reasonable royalty to be awarded for the products sold in the past that Genlyte Thomas claims to have infringed the ‘254 patent.*

Remember that in proving damages *Genlyte Thomas*’ burden of proof isn’t an absolute one but rather a burden of reasonable probability, reasonable certainty. . . .  
(*Read Instructions p. 39*)

All right. *Verdict Form 4*. You don’t get to *Verdict Form 4* unless you have answered *any part of either Verdict Forms 1, 2 or 3 “yes”*. . . .

.... *Genlyte Thomas* argues, but of course *ALS* denies, that the *ALS* devices infringe by *literal infringement*, the doctrine of equivalents, or *inducing others to infringe*. And *Genlyte Thomas* can win on one or all of those. And since it’s the same *ALS* fixtures theoretically *Genlyte Thomas* will win the same amount of money *irrespective of the Verdict Form you sign. It can receive only one recovery.* (*Read Instructions p. 42*)

....

### **WILLFUL INFRINGEMENT**

But since I need your advice and I need it officially, I need to explain to you this issue, even though there's no damage calculation with respect to this issue *on Verdict Form 5*.

*Genlyte Thomas* finally says, in addition to the things we've claimed before, these *ALS* people are guilty of what's called under the law, willful infringement. Well, now as to this issue, and this issue only, they've got to do better than by a fair preponderance of the evidence.

Under the law, before you could find for *Genlyte Thomas* on willful infringement you would have to find the willful infringement by clear and convincing evidence. And that means exactly what the words provide. You must unanimously be satisfied by evidence that is clear and convincing that *ALS* not only infringed but that they willfully infringed.

Now, what does that mean? Willful infringement is proved if *Genlyte Thomas* proves by clear and convincing evidence that *ALS* was aware of *the '254 patent*, knew about *it*, . . . actually knew about *it*, and two, had no reasonable, good faith basis for its making or using or selling the item that you have found to be infringing, that *ALS* had no reasonable, good faith basis for thinking that its putting its own item on the market in America, in the United States, would be proper -- *in other words, if ALS acted in conscious disregard of Genlyte's patent rights*.

Now, in this regard, in figuring out whether *ALS* had a reasonable basis for reaching a good faith conclusion you may consider whether *Genlyte Thomas* now has proved by clear and convincing evidence that *ALS* did not exercise *its affirmative duty of*

due care to determine whether the *Genlyte Thomas* patent, what they applied to and were valid and existing once they learned of the *Genlyte Thomas* patent. (*Read Instructions p. 42-44*)

*And the law says that where a potential infringer has actual notice of the other's patent rights, he has an affirmative duty to determine whether he is infringing. This includes the duty to seek and obtain competent legal advice from counsel before the institution of any possible infringing activity. See Underwater Devices, Inc. v. Morrison-Knudsen Co., 717 F.2d 1380, 1390 (Fed.Cir.1983) ( overruled in part on other grounds by Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp., 383 F.3d 1337 (Fed.Cir.2004) ( en banc )). Courts consider several factors when determining whether an infringer has acted in bad faith and whether damages should be increased. They include: "(1) whether the infringer deliberately copied the ideas or design of another; (2) whether the infringer, when he knew of the other's patent protection, investigated the scope of the patent and formed a good-faith belief that it was invalid or that it was not infringed; ... (3) the infringer's behavior as a party to the litigation;" (4) "defendant's size and financial condition;" (5) "closeness of the case;" (6) "duration of defendant's misconduct;" (7) "remedial action by the defendant;" (8) "defendant's motivation for harm;" and (9) "whether defendant attempted to conceal its misconduct." Good faith may normally be shown by obtaining the advice of legal counsel as to infringement or patent validity.*

*Liquid Dynamics Corp. v. Vaughan Co., Inc.* 449 F.3d 1209, 1225 C.A.Fed. (Ill.),2006, citing *Read Corp. v. Portec. Inc.*, 970 F.2d 816, 826-27 (Fed.Cir.1992) (superseded on other grounds as recognized in *Hoechst Celanese Corp. v. BP Chems. Ltd.*, 78 F.3d 1575, 1578 (Fed.Cir.1996)).

Now, one common way to fulfill *the affirmative duty of determining whether or not one infringes* is to seek and receive legal advice from a lawyer before beginning or continuing activities that might be infringing. Such legal advice must be competent, authoritative, and timely, in order for ALS to rely upon it to fulfill a duty of reasonable care. (*Read Instructions p. 44*)

. . . .

### **VERDICT**

All right, ladies and gentlemen. Those are my instructions as to the law. I may have left something out, I may have misstated something, and before we give you the break now the lawyers get a chance to correct me, and we'll ask you to wait for a moment while they do that. (*Read Instructions p. 45*)

. . . .

The verdict must be unanimous. That means genuinely unanimous; all twelve of you agreeing, not somebody going along with what the others think. But you are entitled to change your views if the views of your fellow jurors who saw and heard the same evidence, who are under the same oath as you are, in fact convince you to revise your views. That's what deliberations are. (*Read Instructions p. 50-51*)

So let's go over the logic of the verdict slip. *I've asked you five questions. Your answer to the Verdict Forms 1, 2 or 3 can be "Yes" or "No". If the answer to any part of the Verdict Forms 1, 2 or 3 is yes, then you consider and answer Verdict Form 4 and Verdict Form 5. If the answer to all parts of Verdict Forms 1, 2 and 3 are "No" then you need not answer Verdict Forms 4 and 5. The foreperson shall sign each form signifying*

*you have reached a unanimous verdict and shall notify the marshal. (Read Instructions p.52)*

. . . .

So when I look it over and I see that it is at least logical and it answers the questions that I've put to you, I give it to Ms. Smith and I say, the verdict is in order, it may be recorded. Then she'll ask you to stand up. It's the only time in the entire case where you stand up and the rest of us sit here. And then she will read out in open court your verdict. And it reads out logically. It reads the answers that I need to have to enter a verdict.

If, at that moment, while each of you stand there, you, individually, are satisfied with your own conscience that your duty is faithfully done, then you will have done what's required of you in this case.

The word "verdict" comes from two Latin words. They mean, "to speak the truth." That is what is asked of you in this case, to speak the truth.

Very well. The jury may retire and commence their deliberations. I'll remain on the bench. *(Read Instructions p. 54-55)*

Respectfully submitted,

/s/ Kevin Gannon

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I hereby certify that this document(s) filed through the ECF system will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those indicated as non registered participants on this 20th day of January, 2007.

/s/ Kevin Gannon

*Counsel for Plaintiff, Genlyte Thomas Group LLC*

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1

1 UNITED STATES DISTRICT COURT  
2 FOR THE DISTRICT OF MASSACHUSETTS

3 Civil Action  
4 No. 96-11025-WGY

5 \* \* \* \* \*

6 THE READ CORPORATION,  
7 F.T. READ & SONS, INC., and  
8 NORDBERG-READ, INC.,

9 Plaintiffs,

10 v.

11 JURY INSTRUCTIONS

12 POWERSCREEN OF AMERICA, INC.,  
13 POWERSCREEN INTERNATIONAL  
14 DISTRIBUTION LTD. and POWERSCREEN  
15 INTERNATIONAL, PLC,

16 Defendants.

17 \* \* \* \* \*

18 BEFORE: The Honorable William G. Young,  
19 District Judge, and a Jury

20 APPEARANCES:

21 WILLCOX, PIROZZOLO & MCCARTHY, PC (By Jack R.  
22 Pirozzolo, Esq. and Richard L. Binder, Esq.) 50 Federal  
23 Street, Boston, Massachusetts 02110, on behalf of the  
24 Plaintiffs

25 CHOATE, HALL & STEWART (By Eric J. Marandett,  
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- and -

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and W. Bruce Baird, Esq.), 400 West Market Street, 32nd  
Floor, Louisville, Kentucky 40202, on behalf of the  
Defendants

1 Courthouse Way  
Boston, Massachusetts

February 23, 2001

2

1 THE CLERK: Court is in session, please be seated.

2 THE COURT: Well, good morning, ladies and

3 gentlemen, ladies and gentlemen. READCHGF.TXT

4 THE JURY: Good morning.

5 THE COURT: I truly want to thank you. You people  
6 have been prompt, you've been alert to everything that's  
7 gone on, and we all are deeply, deeply appreciative.

8 Now, the way the lawyers and I have worked this  
9 out, the way that we think will make this most intelligible  
10 for you is to have me go first and explain to you in detail  
11 the law which you must follow in this case. We've agreed  
12 as I sketched it out yesterday.

13 When I'm done explaining the law we'll take a  
14 break. Then the lawyers will get a chance to talk about  
15 the evidence and urge you to certain conclusions within the  
16 legal framework as I describe it. When that's done I'll  
17 have about five minutes left and I'll just give you some  
18 explanation about how you may deliberate together, how  
19 juries deliberate together, and then the case is yours.

20 So we start this morning with my explanation as to  
21 the law which must govern in this particular case.  
22 Understand that just as soon as he can, and he's very  
23 quick, Mr. Womack will prepare a transcript of my charge  
24 now. But he can't get to that until after we send you out.  
25 So you're going to have to start your deliberations before

3

1 you have the written charge. But we will send in, without  
2 any interruption, just as soon as we have the written  
3 charge, we'll send in one copy to you so you actually have  
4 the written charge before you.

5 But you must listen carefully now because this is  
6 a form of law teaching. This is like a law class here.

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7 And it's a little stilted because you can't raise your hand  
8 now and say, well, you didn't explain that very well,  
9 explain that a little better. But what you can do if you  
10 don't understand any aspect of the law, write out your  
11 question, write it out, there will be a court security  
12 officer outside the door here, come out the door, give the  
13 question to the court security officer, we'll set things  
14 all up in here, we'll have you back in the courtroom and I  
15 will explain it better. Don't hesitate to do that. If  
16 justice is to be done here you people must understand the  
17 law in the case, and I must be good enough to teach it to  
18 you. So if you have any questions about the law be sure to  
19 ask them, don't just go ahead without understanding what  
20 the law is.

21 I start my charges by a brief explanation of what  
22 our separate roles are, and then from there we'll go into  
23 what the evidence has been, at least the tools you have to  
24 do the job, and then from there we'll go directly into what  
25 the law is that governs this case.

4

1 First your role. You are the judges of the facts.  
2 The only judges of the facts. Though I will necessarily  
3 have to make mention of evidence and make mention of  
4 particular witnesses, that's only to remind you of  
5 testimony or evidence that may, it's entirely up to you,  
6 bear on certain aspects of the case. You're the judges of  
7 the evidence. I have nothing to say about the evidence.

8 Now, you're going to judge the evidence as I said  
9 at the beginning of the case fairly and impartially without  
10 any bias or prejudice, without any sympathy for anyone,

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11 without any desire that anyone be punished or have revenge.  
12 Carefully and coolly sifting through this evidence -- an  
13 appropriate term in this case -- sifting through this  
14 evidence to see that justice may be done.

15 Your verdict must be unanimous. We're going to  
16 ask you certain questions that can be answered like yes or  
17 no. So you must be unanimous as to a yes, you must be  
18 unanimous as to a no. And unanimous means that you all  
19 come genuinely to agree. And you'll all deliberate. Not  
20 that ten of you think this and the other couple go along  
21 with it. It must be a genuinely unanimous verdict.

22 And your verdict must be concentrated entirely on  
23 the evidence. You can, and I know how carefully you will  
24 listen to the lawyers the better to understand the  
25 evidence. You may look at the demonstrative aids the

5

1 better to understand the evidence. But the evidence is  
2 what governs and you, and you alone, decide what you  
3 believe about the evidence.

4 Now, I'm the judge of the law. I've said that a  
5 number of times. I simply mean to point out to you that in  
6 this courtroom I'm the one who has the responsibility of  
7 teaching you the law. We make a careful record of what  
8 I've said. And that's the fair way.

9 You cannot quarrel with the law as I explain it to  
10 you. I'm going to tell you who has to prove what in this  
11 case. I'm going to tell you the burden of proof that that  
12 side bears. And there's no dispute here who has to prove  
13 what. Read has to prove, do the proving here.

14 But you can't add to their burden. You can't say,

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15     gee, I, I really want them to show us this or that. But  
16     likewise you can't subtract from their burden. When I say  
17     they've got to prove something, then they have to prove  
18     that. You can't say, well, forget about that because this  
19     or that, something else is proved. I'll tell you what has  
20     to be proved and what the burden, what the standard of  
21     proof is.

22             Listen to my whole charge start to finish. Don't  
23     seize on one part of it and say, "Aha, the case turns on  
24     this or that." Listen to the whole charge and consider all  
25     aspects of the charge together.

6

1             Likewise, don't think that because I charge you as  
2     to all aspects of the case that I think anything is proved  
3     or not proved. I have nothing to say about that. I simply  
4     am trying to build for you a complete mental framework so  
5     that you will understand the law which you have to follow.  
6     That's my role.

7             Now, I've emphasized that you must confine your  
8     analysis to the evidence. So let's take a moment and go  
9     over the evidence in this case, not witness by witness but  
10    rather type by type, and so you know what tools you have.

11            The first thing I think of is the testimony of the  
12    witnesses. You have the power to believe everything that  
13    any witness said to you here from the witness stand. To  
14    believe it all. Equally, you have the power to disbelieve  
15    and disregard everything a witness said as though that  
16    witness never testified. Between those two extremes you  
17    have the power to believe some things a witness says but to  
18    disbelieve other things the witness says. You are not

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19 prevented from reaching a verdict because one witness has  
20 testified to one version of an event and another witness  
21 has testified to another version of the same event and both  
22 witnesses were under oath. You can believe one or believe  
23 the other. You can decide where the truth lies.

24 How do you do it? You use your common sense as  
25 you are reasonable men and women. You may use everything

7

1 you know about the witness. How did the witness impress  
2 you testifying on the witness stand? How did the witness  
3 respond to questions both on direct and on  
4 cross-examination? What was the opportunity of the witness  
5 to observe, to comprehend, to understand, to recall those  
6 matters about which the witness testified? Does the  
7 witness stand to gain or lose anything depending upon how  
8 the case comes out? Is the witness allied with, employed  
9 by one side or the other in the case? Do those things  
10 affect the witness's testimony? Is the testimony of the  
11 witness backed up -- lawyers say corroborated -- by other  
12 evidence in the case? The exhibits or depositions or any  
13 other evidence in the case. Or, does the other evidence in  
14 the case undercut, take away from, make less believable the  
15 testimony of the witness who is before you.

16 In short, you can sum up a witness's testimony and  
17 as reasonable men and women you can decide what you  
18 believe.

19 Some witnesses have been allowed to give their  
20 opinion about certain things. The law provides that when a  
21 witness has background, experience, training that the mine  
22 run of judges and juries don't have, we'll let that witness

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23 render his opinion to the jury to aid the jury in doing  
24 their function.

25 Like any other witness, your powers with respect

8

1 to opinions given by witnesses are no different. That is,  
2 if I've allowed you to hear an opinion you may believe it;  
3 but equally you may disregard it. You may decide that  
4 that's just not believable, that's not credible. Or you  
5 could believe part of what a witness says and disbelieve  
6 other parts of an opinion given by a witness. It's left to  
7 your good judgment.

8 I suggest to you that in evaluating opinions given  
9 by witnesses you want to look at what undergirds them or  
10 underlies them, what was the witness relying on. How did  
11 the witness come to that opinion? Both by their  
12 experience, generally having nothing to do with this case,  
13 but also what do they know about things having to do with  
14 this case upon which their opinion rests.

15 You're the judge of that. So with respect to  
16 opinions you may believe them, but you may disbelieve them  
17 or believe them in part.

18 Now, not all the witnesses in this case testified  
19 live, that is, were here in court. Some witnesses, because  
20 of the geographical distances here, or for whatever other  
21 legal reasons, testified by way of deposition. And we had  
22 a lawyer read the answers or we had the lawyer read both  
23 the questions and answers. The technique used makes no  
24 difference. And the fact that a witness testifies by way  
25 of deposition doesn't make that witness anymore believable

9

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1 or less believable than a witness testifying in court.  
2 That testimony as matter of law starts even. And like any  
3 other testimony in the case, you may believe it, disbelieve  
4 it, believe parts of it.

5 Now, with respect to witnesses who testified by  
6 way of deposition, you didn't see them. But you listened  
7 very carefully to their testimony, and you want to compare  
8 that testimony with the testimony of other witnesses, with  
9 other depositions. It's evidence in the case. You may  
10 believe it, disbelieve it, believe parts of it.

11 Now, in this case also there are a large number of  
12 exhibits. Ms. Smith and the lawyers spent time yesterday  
13 afternoon gathering all these exhibits by number. And  
14 shortly after we send you out, once the arguments are over,  
15 when we send you out to begin your deliberations, she will  
16 come into the jury room, it may take her more than one  
17 trip, and she'll bring all those exhibits into the jury  
18 room. And she'll bring in, I think we've got those videos,  
19 we've got them on a VCR, we've got a camera, and if you  
20 know how to run a VCR you'll be okay, if you want to see  
21 them, but they're exhibits and you'll have the facility to  
22 review them in the jury room.

23 Well, they're evidence. Now, I'm talking about  
24 the exhibits that are evidence, not the charts that are not  
25 evidence, though some charts are evidence.

10

1 Exhibits are like the testimony of witnesses and  
2 your powers are exactly the same. That is, you may read,  
3 look at, view an exhibit, and if it persuades you of some

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4 aspect of the case that's perfectly appropriate because  
5 it's evidence.

6 But equally, if you don't find an exhibit  
7 believable, either because you don't, because you think  
8 it's a fake, I'm not suggesting anything is a fake, but if  
9 you don't think it's genuine, or if you come to believe  
10 that even though this may be genuine, it's either  
11 inaccurate or it doesn't help you, disregard it. That's  
12 your power. You're the judges of the facts. And as with  
13 any other evidence in the case you could take part of an  
14 exhibit and say, well, this is persuasive, but another part  
15 is not persuasive.

16 Lastly, you have some stipulations in this case.  
17 I read one. The lawyers read them. And they're designed  
18 to shorten the time and make things clear to you.  
19 Stipulations are agreements among the lawyers, as they  
20 represent their clients. That's evidence. But that is  
21 special. That evidence is not disputed. So you don't have  
22 the right just to disregard it. You take that as given.  
23 Lawyers have agreed to that so we'll start out with that  
24 taken as given. It's evidence.

25 Now, that's the body of evidence that you have in

11

1 this case. A few words about what you do with it, how you  
2 analyze it.

3 You use your common sense. You don't check your  
4 common sense at the door to the jury room. Rather I charge  
5 you to apply your common sense to the evidence in this case  
6 to the end that justice may be done.

7 At the same time, you don't go in there and guess  
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8 or speculate or maybe or perhaps or even probably. What we  
9 need is, as to most of the case, Read's going to have to  
10 prove it by what I call, what the law calls a fair  
11 preponderance of the evidence. And as to one part of the  
12 case, if your verdict was to be for Read, it would have to  
13 be by clear and convincing evidence. And I will tell you  
14 the two parts.

15 But my point is you don't guess. You don't  
16 speculate. But you can use your common sense as you are  
17 reasonable men and women and you can draw what are called  
18 reasonable inferences.

19 Now, a reasonable inference is a logical  
20 deduction. It's common sense. And I'm going to give you  
21 an example that has nothing to do with this case better to  
22 illustrate what a reasonable inference is and also to  
23 illustrate how far you can take it.

24 Let's say we have a witness and she testifies that  
25 she's walking along a road and she looks out and there's a

12

1 field of tall grass -- notice I'm getting ready for spring  
2 here -- and she sees through the grass the grass is all  
3 knocked down in an irregular course through the field. And  
4 suppose you believe that testimony. From that alone you  
5 could infer something went through the field. I mean, it  
6 just doesn't happen that grass falls down along a path  
7 unless something knocks it down. It isn't all fallen down  
8 in a windstorm, it's fallen down in a course through the  
9 field. So it's a reasonable inference that something went  
10 through that field. We don't have a witness who saw the  
11 something, but there's a reasonable inference something

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12 went through that field.

13 Now, that's the reasonable inference. Bud unless  
14 you had other evidence from some other source in the case  
15 you wouldn't know what went through the field. A child.  
16 An adult. A big animal. A small animal. You just  
17 wouldn't know. That would be guessing.

18 Now, there might be other evidence and you can  
19 draw inferences from it. But the reasonable inference, if  
20 you believe the witness I gave you as an example, is  
21 something went through the field. But you can't guess  
22 about it unless there's other evidence. That's reasonable  
23 inferences.

24 Okay. We've talked about our roles. We've talked  
25 about the tools that you have to resolve this case. I want

13

1 to say just a very few words about what's not evidence in  
2 the case, not to emphasize it but just point out to you  
3 what's not evidence in the case.

4 And first I want to say, and I say most genuinely,  
5 I compliment the lawyers in this case. It's hard to try  
6 one of these cases. The matters are technical and complex,  
7 and this case has been very well-tried. And I appreciate  
8 it and it's a privilege to preside over a case that is  
9 well-tried.

10 Now, you disregard it. I mean that what I told  
11 them. But you disregard it. You're not going to judge  
12 this case in any way, shape or form based upon how you  
13 react to the lawyers as human beings. They've done their  
14 job, and they will later on this morning keep on doing it  
15 for their respective clients, and so far they've done a

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16 fine job. I mean that. But it plays no role in what you  
17 do. You've got to focus on the evidence. The lawyers are  
18 not sources of the evidence. And your reaction to them  
19 plays no role.

20 Equally important. If you somehow think that I  
21 think something about this case based upon the manner in  
22 which I have presided over it, I most earnestly instruct  
23 you to disregard it. I don't. And I tell you candidly I  
24 have no idea how this case will come out, nor is it my  
25 business. My business is to teach you the law. I do not

14

1 discuss the substance of the case with Ms. Smith,  
2 Mr. Womack. I've had students in here seeing how cases are  
3 to be tried, because this is a good example. I'm not  
4 discussing the substance of the case, the pieces of  
5 equipment with anybody. And I have no idea.

6 This, however, I tell you and this I believe  
7 passionately. I believe in the jury system. I believe  
8 that you will do justice in this case. But I, clear as I  
9 am about constantly saying, oh, yes, I'm the judge of the  
10 law, I have nothing to say about the facts in this case. I  
11 believe that you will justly and impartially decide the  
12 facts in this case. Now let's get to it.

13 For simplicity sake I'm grouping the various Read,  
14 Read plaintiffs and Nordberg, and there are three of them,  
15 the Read Corporation, F.T. Read & Sons, and Nordberg-Read  
16 Incorporated, I'm grouping them all together, and so can  
17 you. In one aspect of the case they may have to be  
18 separated out, but everyone agrees that I'll do that. You  
19 don't have to worry about it. So I'm taking those three

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20 plaintiff corporations and I'm just going to call them  
21 Read. And I'm doing the same thing with respect to the  
22 three defendant corporations: Powerscreen of America  
23 Incorporated, Powerscreen International Distribution  
24 Limited, and Powerscreen International PLC. For our  
25 purposes, Powerscreen. Treat them all the same. And if

15

1 there needs to be some sorting out at the end I'll handle  
2 it.

3 Read brings this case. Read is the plaintiff in  
4 this case. So Read has to prove the case. And for most of  
5 the case the burden of proof on Read is what we call proof  
6 by a fair preponderance of the evidence. There's one part  
7 where the burden's different, but I'll hold that off until  
8 I get there.

9 Proof -- this is not a criminal case where proof  
10 is proof beyond a reasonable doubt. This is a civil case  
11 where the burden of proof is proof by a fair preponderance  
12 of the evidence. And in such a case that simply means that  
13 on those things that I'm going to tell you that Read has to  
14 prove they've got to prove those things are more likely  
15 true than not true. More likely to be the case than  
16 something else. It's not a question of how much evidence  
17 there is on one side or the other, it's a question of what  
18 you believe about the evidence which you've seen and heard,  
19 and does that convince you unanimously that it's more  
20 likely, by a fair preponderance, those things that Read has  
21 to prove is the truth. Now, if something else is more  
22 likely the truth Read hasn't proved it. If on all the  
23 evidence that you do believe that evidence tends equally to

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24 two equal but opposite conclusions, Read hasn't proved it.  
25 But so long as on the evidence you believe that's more

16

1 likely to be true than something else, you may take it that  
2 that point is proved by a fair preponderance of the  
3 evidence.

4 This is a patent case. Patents are mentioned in  
5 the Constitution of the United States. A patent gives to  
6 the inventor or inventors, or to their successors in  
7 interest, a period of exclusivity for the use of their  
8 invention. And that simply means that no one may use the  
9 patented invention without first getting permission from  
10 the people who hold the patent. The period of exclusivity  
11 extends for 20 years from the date of the filing of the  
12 patent. And the patent owner is entitled to refuse to give  
13 anyone else permission to practice the invention.

14 This case involves two patents. One is United  
15 States Patent 4,256,572. We're calling it the '572 patent.  
16 And I'm referring to it in the verdict slip as, it involves  
17 the wheels part of that patent. That's just so we're clear  
18 there.

19 The other patent is United States Patent  
20 4,237,000. 237, the triple zero patent. That patent I'm  
21 referring to in the verdict slip as the longitudinal center  
22 plate patent.

23 Now, there's other things in those patents. But  
24 here's why I'm using that nomenclature. Let's narrow this  
25 down now.

17

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1           Some things are not really disputed in this case.  
2   And let me just explain those. Though they're evidentiary,  
3   there's no real dispute.

4           There's no real dispute here but what Read really  
5   does own these patents. They're Read's patents. Second,  
6   there's no real dispute, whatever I may have thought going  
7   in in the case, now that I've heard all the evidence,  
8   there's no real dispute but what these are valid patents.  
9   They're valid. And Read owns them. And now there's no  
10   real dispute, I think it's stipulated, that the '000 patent  
11   expired, it ended, its 20 years of exclusivity ended on  
12   March 5th, 1999. And the '572 patent, that expired on  
13   December 11th, 1999.

14           Likewise, there is no real dispute here about any  
15   aspect of this patent, and about whether the Powergrid  
16   things are the same as what is claimed in the Read patent  
17   as to claims other than, I'm just narrowing down our focus,  
18   in the '572 the wheels claim, and in the '000 patent the  
19   longitudinal center plate claim. That's the dispute as to  
20   these two patents.

21           In other respects, in other respects you may take  
22   it that the Powergrid machines are the same as what is  
23   claimed in those two patents. But remember if there is a  
24   difference even as to the claims that we're talking about  
25   here, then there can be no infringement. And so that's

18

1   what our focus is.

2           A few more words about patents. Why do we give  
3   the inventor this right, this exclusivity right to practice

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4 the patent for a period of years? It's a trade-off.

5 The federal government says to the inventor under  
6 the law we'll give you the exclusive right, the exclusive  
7 use of this invention for a period of years. But, in  
8 return you have to teach the world how to make this  
9 invention, how to use this invention.

10 And why do we want that? We want that as a matter  
11 of social policy because we want inventions. We give the  
12 period of exclusivity as a reward. The inventor is  
13 entitled to the reward whether or not the inventor uses,  
14 practices its own invention.

15 Now, a patent, and I've shown you them and the  
16 lawyers have shown you them, is a document. And it's  
17 divided into parts. It may have drawings. It has  
18 specifications. And the specifications teach you a way, at  
19 least teach you a way to practice the invention. And at  
20 the end of each patent there are claims. And it is the  
21 claim of the patent that describes the area of exclusivity.  
22 It's not how the patent holder chooses to practice the  
23 patent.

24 So be very clear. The comparisons -- because in  
25 your infringement analysis you're going to have to make

19

1 comparisons. The comparison is between the written claim  
2 of the patent and the devices alleged, the Powerscreen  
3 devices here, alleged to violate, to infringe that claim.  
4 That's the comparison.

5 Now, in making that comparison you're of course  
6 entitled to look at what the patent holder itself  
7 manufactures. Look at the machinery and compare that

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8 machinery with the Powerscreen machinery. But that doesn't  
9 end your analysis. You've got to look at the claim.  
10 Because under the law it's the claim compared to the  
11 allegedly infringing device.

12 And this is the time to make mention of something  
13 else here and something that, I'll explain to you how I  
14 drew the line where I drew it.

15 Mention may be made, mention has been made in  
16 testimony, about other devices manufactured by other  
17 people, not Powerscreen, and what happened to those  
18 devices. We've heard about other lawsuits. We've heard  
19 about other lawsuits, maybe they were settled. Maybe some  
20 other court decided some other lawsuit. And we've heard  
21 that other machines were withdrawn from the market. Taken  
22 off the market.

23 Well, that's some evidence. You may look at those  
24 other machines and compare them to the Powerscreen machine,  
25 compare them to the Read machines. But ultimately compare

20

1 them to the claims of the patent. And why are you allowed  
2 to do that? Having looked over the machines themselves, to  
3 get a better idea as to whether the Powerscreen machine,  
4 whether they violate the claim of the patent. That's the  
5 only reason we got into other lawsuits and other machines  
6 by other people, to give you a fuller picture.

7 I didn't let you hear what those other judges had  
8 to say. Not because I'm any better than those other  
9 judges. Some are courts that are higher than this court.  
10 But you can't try a case that way. It's got to be one  
11 teacher of the law, in this case it's me.

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12 But, the fact of that other litigation, if you  
13 believe that actually took place, that's a fact, that's for  
14 you, and you may consider it.

15 Okay. Let me go, before I pass out the verdict  
16 slip, let me go back over some things that I mentioned at  
17 the very beginning of the case. This patent claim, this  
18 patent given by the government, is similar to a, to a  
19 statute passed by congress. It's a government grant of  
20 exclusivity. It's a government grant by the patent holder  
21 to Read saying you have the exclusive right to practice the  
22 invention set forth in your claim. And so when there  
23 arises a dispute about what's claimed, because it's like a  
24 law, and because judges are skilled, are expected to be  
25 skilled in interpreting the law and explaining the law, I

21

1 am given the responsibility to explain to you what the  
2 claim means. And I've exercised that responsibility in  
3 this case, and I want to go back over it because I'm  
4 focusing on the claims that are really in dispute here.

5 And let me call to your attention the claims that  
6 are really in dispute here. And I'm going to start with  
7 the '572 patent. In this case we have been specifically  
8 concerned with a portion of claim number 1. You find it in  
9 Column Number 5 of that patent, the '572. Down at the  
10 bottom of Column 5, going over to Column 6. And the key  
11 language that we are concerned with here is language which  
12 reads like this: A set of wheels mounted to one of said  
13 sides and movable relative to the frame from an operative  
14 position for transporting said apparatus to an inoperative  
15 position for lifting the frame flush on the ground.

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16 Now, I said it before, but now of course you  
17 understand why that's an important aspect of this dispute.  
18 Here's what that means legally.  
19 The language means that the wheels retract so as  
20 to allow for the machine to be in two positions, a position  
21 for transporting the machine behind a trailer in which the  
22 heavy weight of the machine is on the wheels, and a stable  
23 position for screening in which the weight is taken off the  
24 wheels and the frame is flush to the ground.  
25 Now, I must add one thing to that deposition -- to

22

1 that description. This claim does not require that all the  
2 weight be taken off the wheels. It's enough that the bulk  
3 of the weight be shifted from the wheels.

4 Now, while we're still doing definitions let's go  
5 over to the '000 patent and we'll come to what's key there.  
6 The specific claim that we're most concerned with there is  
7 a claim that begins in Column 5 at Line 7 of that patent,  
8 and I'll read it: At least one rigid longitudinal center  
9 plate generally parallel to and between the side plates  
10 joining the upper and lower levels of structural cross  
11 beams such that forces applied to the screen assembly are  
12 transmitted through the center plate to the joined cross  
13 beams.

14 Now, here's what that means. This simply means  
15 that the rigid center plate or center plates must run the  
16 entire length of the machine from front to back with, as  
17 the words clearly state, with the idea of giving it  
18 structural integrity so that the weight, the things you're  
19 sifting when put down on the screens to be sifted out, so

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20 that the screens will hold themselves and actually sift  
21 through won't bend or won't break.

22 I must add a little bit to that definition, though  
23 I think that's accurate and I stand on it. As has been  
24 explained, I add to that definition, one reason for this  
25 longitudinal center plate is to have the screens vibrate in

23

1 unison, not vibrate apart. I originally thought that it  
2 was just to give it structural integrity so the screens  
3 wouldn't bend and separate. But I'm satisfied that it's  
4 more than that.

5 All right. Now, those are the key definitions at  
6 issue and now I think it's time to pass out the verdict  
7 slip.

8 (Whereupon copies of the verdict slip were passed  
9 to the jurors.)

10 THE COURT: We've made this verdict slip just as  
11 simple as humanly we can make it and nevertheless get from  
12 you the answers we need for me to enter judgment in this  
13 case.

14 I'm going to ask you to look at Questions 1 and 2.  
15 Question 2 goes over to the second page. But look  
16 together, if you would, at Questions 1 and 2.

17 Now, there's two separate patents that Read owns,  
18 and I've said that the key definitions here, and I've given  
19 them to you in the '572 have to do with the wheels claim,  
20 and the key definitions with respect to the '000 have to do  
21 with that longitudinal center plate claim.

22 Now, I think the intelligent way to explain this  
23 is to deal with Questions 1 and 2 together, but I'm going

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24 to have to go from one patent over to the other. But I  
25 think you can follow.

24

1 As to the '000 claim Read has three different  
2 theories of liability, three different ways to win. Now,  
3 of course, Powerscreen disputes all three. But I need to  
4 explain each of the three. And I've called out the three  
5 there at the top of Page 2.

6 They claim, now as to this longitudinal center  
7 plate, they claim that the Powerscreen device literally  
8 infringes. And they say, well, if it doesn't literally  
9 infringe it infringes by the doctrine of equivalents. And  
10 they say, and what's more, the way Powerscreen was making  
11 the thing it was an inducement to other people to infringe.  
12 And I need to explain each one.

13 Jump back to Question 1. As to Question 1 Read  
14 has only one theory of liability. And as to Question 1,  
15 this wheels issue, it's not disputed that there isn't --  
16 well, it may be disputed, but I've ruled as matter of law  
17 that it doesn't literally infringe. But it may, and this  
18 is entirely up to you, infringe under the doctrine of  
19 equivalents. And so since there's only one theory I didn't  
20 spell out the theory, but now I'm explaining it to you.

21 Under Question 1, Read's theory is that the  
22 Powerscreen devices infringe under the doctrine of  
23 equivalents.

24 Now, having told you that I'm going to skip back  
25 to Question 2 and I'm going to go through each of the three

25

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1 theories that Read has as to the longitudinal center plate,  
2 but you'll understand that when I get to explaining the  
3 doctrine of equivalents that applies to Question 1, too.  
4 That applies to Question 1 also.

5 Okay. What does it mean to infringe the claim of  
6 a patent? It means that the infringing device, you look at  
7 the claim of the patent and you look to see whether the  
8 infringing device, the actual thing, not plans or  
9 something, though you can look at plans because they tell  
10 you what the actual thing looks like, but in order for  
11 there to be infringement the, the device has to be sold or  
12 offered for sale in the United States of America.

13 I should pause and make that a point. These  
14 patents are good in the United States of America.  
15 Powerscreen's over there in Northern Ireland. Now, what  
16 happens in Europe we are not concerned with. So  
17 Powerscreen can make whatever it wants, it can make the  
18 identical thing in Europe to the Read claim and we don't  
19 have a problem. But, if they make the identical thing to  
20 the Read claim and offer it for sale or sell it in the  
21 United States that's infringement.

22 Now, of course it's disputed that it's identical.  
23 So let's focus on infringement. Literal infringement now.

24 In order for there to be literal infringement the  
25 alleged offending device must have present in its

26

1 configuration each and every element or aspect of the claim  
2 in the Read patent. And you take the claim that we're  
3 talking about, you take it separately. You can look at all  
4 the other claims, but each claim is a separate grant of

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5 exclusivity. So you focus on the claim and then you say  
6 does the Powerscreen device, if you find that it was sold  
7 or offered for sale in the United States, does that have  
8 each and every element of that claim present in it? If it  
9 does it's infringement. It infringes. If only one element  
10 of the claim is missing there's no infringement, even if  
11 all the others are present. If there are other things  
12 added, made more sophisticated, made better, it still  
13 infringes so long as it has every element of what's  
14 claimed. Miss an element and there's no infringement. But  
15 add to the elements, make the elements better, still  
16 infringement so long as it has every element of the claim.

17 It's possible that you could have a machine that  
18 isn't as good, it's inefficient, doesn't work as well, but  
19 it has every element of the claim. Inefficient  
20 infringement is still infringement.

21 So you ask yourself is every element of the claim,  
22 the claim now, you can look at everything, look at the  
23 machines, look at the machines of other manufacturers, look  
24 at all the evidence, but your comparison is the claim  
25 versus the Powerscreen allegedly infringing device. If

27

1 every element of that claim is present in the infringing  
2 device then what you have is literal infringement.

3 Now, the only alleged -- well, the only literal  
4 infringement that I'm allowing you to consider here is  
5 literal infringement of the longitudinal center plate and  
6 then the only evidence of that is found here in this  
7 Exhibit 106.

8 Now, I have nothing to say about what these photos  
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9 show. But it's going to be argued to you that they show a  
10 longitudinal center plate, and you listen to all the  
11 evidence, you make up your own mind, and that this machine  
12 in this configuration literally infringes.

13 You understand that -- well, you may draw your own  
14 conclusions about that. I have nothing to say about it.  
15 But what I'm pointing out to you is that this is the only  
16 evidence in this case of literal infringement if you  
17 believe that the Powerscreen device literally infringes.

18 So that's the first theory. The second theory is  
19 infringement by the doctrine of equivalents. Now, what do  
20 we mean by that?

21 Remember that I've already said that if you build  
22 a device that's very similar to the patented device, but  
23 you omit an element, you leave an element out entirely,  
24 there's no infringement.

25 Likewise, it is perfectly legal to design around a

28

1 patent. You read the patent and you learn from the patent.  
2 This is the idea, you learn from the patent. You say,  
3 well, this is a good idea. But I can build a better  
4 mousetrap, one that's different, better. It doesn't even  
5 have to be better. Different, different than the patented  
6 device. The law encourages that. The only thing that Read  
7 is protected on, the only thing that it has exclusivity on  
8 is the patented device specifically claimed in the claims.

9 Yet the law says this. An unscrupulous copier who  
10 changes the device a bit may still be guilty of  
11 infringement. And that's known as infringement by the  
12 doctrine of equivalents. Build a different device, the law

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13 encourages that. But if you build what's really the  
14 equivalent device, from the patent, the law will hold that  
15 infringement.

16 And so we're following here, that's what Read  
17 claims here. They claim that as to the wheels aspect of  
18 their machine and the Powergrid operation and they claim  
19 that with respect to the longitudinal center plate.

20 What does that require of you? That requires of  
21 you to look at the claim again. We always start with the  
22 claim. Now, there are two separate claims and two separate  
23 patents so look at them separately. But look carefully at  
24 the claim. And then ask yourselves this. Again, now, if,  
25 if there's an item, an aspect, they call them limitations,

29

1 limitation in the claim that exists in the claim, and it's  
2 missing in the Powerscreen devices, no infringement, no  
3 infringement under the doctrine of equivalents. And in, in  
4 answering that question you can look not, and you can do  
5 this with respect to literal infringement, too, but you  
6 must take the definitions from me, you can look at the, the  
7 patent, that's where you should start, look at the two  
8 patents, but you can also look at this prosecution history.  
9 We have them in there with blue ribbons and gold seals on  
10 them. I mean, look at what's going on between what Read is  
11 saying to the Patent Office, what the Patent Office is  
12 saying to Read and the like and what's going on.

13 So understand what the limitations are, what the  
14 aspects of the specific claim are, you can look at that.

15 Now, here's the key test for doctrine of  
16 equivalents. Ask yourself whether the Powerscreen device

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17 with respect to each aspect, each aspect considered  
18 separately, of the claim has substantially the same means,  
19 substantially the same equipment used, performing in  
20 substantially the same way, to achieve substantially the  
21 same result. If Read persuades you by a fair preponderance  
22 of the evidence that the Powerscreen, the alleged  
23 infringing Powerscreen device does that, as to each element  
24 now of the claim, if it uses substantially the same means,  
25 which performs in substantially the same way, to achieve

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1 substantially the same result that's infringement by the  
2 doctrine of equivalents. Now, if any one limitation is  
3 missing, any one aspect of it is missing, there's no  
4 infringement at all, doctrine of equivalents or literal  
5 infringement.

6 Okay. Now, that theory applies to both patents.  
7 That is Read's theory as to the '572 patent, and it's also  
8 Read's theory as, I may have said that literal infringement  
9 is limited to whatever is shown, or whatever is evidenced  
10 as to a machine by these photographs, but that's not the  
11 limitation of their doctrine of equivalents theory, they  
12 say with respect to all the machines.

13 Now, they've got a third theory, Read does, and  
14 their third theory only applies to the '000. Now,  
15 Mr. Pirozzolo, the lawyers will argue, but here's their  
16 theory so you understand it.

17 They say, they're going to argue to you that the  
18 way those, well, I hesitate to characterize it myself, I  
19 call them partial plates, or the way those plates with the  
20 bolt holes in them, we'll let Mr. Pirozzolo argue it,

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21 because I have nothing to say about it, but I just want you  
22 to focus on this aspect of the case, the way those were set  
23 up by Powerscreen, Mr. Pirozzolo for Read, Read argues to  
24 you, Read submits to you, and I'm going to let you decide,  
25 whether in fact that's an inducement to infringe. And the

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1 way that argument goes, I'll let Mr. Pirozzolo make it, but  
2 the way that argument goes is, look, the reason they put  
3 those bolt holes in there is so that anyone using this  
4 would bolt something to attach those all together so that  
5 there would be a single, at least rigid, it might be made  
6 up of more than one piece, but rigid longitudinal center  
7 plate, and that's what's claimed by the Read device. And  
8 they, they may not have done it themselves. Though of  
9 course he's going to argue to you at least with one machine  
10 they did with, and he may argue that others they did and  
11 you should infer that they did. And I leave that all to  
12 his argument and I leave that all to your good judgment.  
13 But on inducement to infringe he doesn't have to show --  
14 well, he has to show that what they had in mind was, well,  
15 we won't do it but the people we sell it to are going to  
16 know to just bolt those together, and make an infringing  
17 device.

18 And if that's what Powerscreen was doing, he can't  
19 get around the patent laws that way. That's inducement to  
20 infringe.

21 But there's a limitation on that. So be very  
22 clear on this. And it's set up here in the, in my verdict  
23 slip.

24 There has -- you have to believe by, again by a  
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25 fair preponderance of the evidence, that somebody did it.

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1 There can't be any inducement to infringe unless in the  
2 United States somebody was infringing. whatever they had  
3 in mind, if the people to whom they sold them or leased  
4 them in the United States didn't do it, they may have, even  
5 if you think, well, they wanted infringement, or they  
6 wanted to induce people, if people didn't do it there  
7 cannot be inducement to infringe.

8 So you look at your questions i, double ii, triple  
9 iii there on questions, on Page 2, and if your answer to i  
10 and double ii is no, your answer to triple iii must be no.  
11 If your answer to either i or double ii is yes, your answer  
12 to triple iii may or may not be yes. It's up to you. Has  
13 Read proved to you that inducement to infringe.

14 Now, those are Read's theories of liability.  
15 Liability means shall Read recover anything from  
16 Powerscreen.

17 Now I'm going to come to the part where I tell you  
18 if you do find infringement of either of these patents, on  
19 any of the theories that I have explained to you, what are  
20 the damages? And you see I ask you that both in Question 1  
21 and in Question 2.

22 Let me pause here. Remember, now, Powerscreen's  
23 denied infringement under, against any of these theories  
24 and Powerscreen has put on evidence and the like. And if  
25 you don't think Read has proved infringement by a fair

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1 preponderance of the evidence your verdict will be for  
2 Powerscreen, Question 1a, and Powerscreen, Question 2a.  
3 And if that's so the case is over, you don't have to answer  
4 Question 3, the forelady signs it and dates it and that's  
5 how you return your verdict.

6 So we only get to damages if I assume that you've  
7 answered for Read on either Question 1 or 2. And here's a  
8 perfect example of what I'm talking about.

9 The fact that I'm now going to explain damages in  
10 detail to you doesn't mean that I think they're proved or  
11 not proved, I just have to explain everything to you.

12 Damages. Damages are designed to, if you find  
13 liability, that is, you find infringement or inducement to  
14 infringe, the damages are designed to compensate Read and  
15 put Read where it would have been had there been no  
16 infringement. That's the theory. Damages are designed  
17 fully and fairly to compensate Read. But, the damages do  
18 not reward Read or punish Powerscreen. But what they are  
19 is full, fair compensation of Read. And Read has to prove  
20 the damages. And Read has to prove the damages again by a  
21 fair preponderance of the evidence.

22 Now, in a case like this, any case like this, I'm  
23 not talking specifically about this case, but in any case  
24 like this the law recognizes that you can't prove the  
25 damages down to the last nickel. So the law allows you as

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1 members of the jury to make good faith, careful estimations  
2 if Read proves, it's not guesswork, it's not speculation,  
3 but, but Read is not to be held to prove to absolute  
4 mathematical certainty the specific damages. It is to be

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5 held to prove by a fair preponderance of the evidence on a  
6 recognized analytic theory what its damages more likely  
7 than not are.

8 So let's talk about the damages. At a minimum, at  
9 a floor if there is infringement Read is entitled to a  
10 reasonable royalty as though it licensed its invention to  
11 Powerscreen. Now, it didn't license its invention to  
12 Powerscreen. There's no evidence that Read ever would have  
13 licensed its invention to Powerscreen. And you may take it  
14 that Read didn't want to license its competitor,  
15 Powerscreen, Read wanted to make the profits for itself,  
16 even though they would have gotten a royalty.

17 But as a minimum the law requires that what's  
18 happened has happened and if nothing else is proved Read is  
19 at least entitled to a reasonable royalty which it would  
20 have gotten if it had licensed the practice of the  
21 invention to Powerscreen.

22 Now, you knew this was coming. You've heard one  
23 of the witnesses who has performed a reasonable royalty  
24 calculation for you, Mr. Tanger, and you're entitled to  
25 believe it, you're entitled to disbelieve it. You're

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1 entitled to make alterations to it based upon what you  
2 believe. But there are factors that the law says we must  
3 consider and I must teach you those factors, there's a  
4 bunch of them, and I'm going to go through them right now.

5 You must consider, first, the royalties, if any,  
6 that Read received for licensing other people under either  
7 of its patents. Not terribly helpful here because there's  
8 no real evidence of the licensing of this patented

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9 technology.

10 Second: The rates paid for the use of other  
11 patents that are comparable to the Read patents.

12 Third: The nature and scope of the license that  
13 reasonably you would expect would be negotiated. Would it  
14 be an exclusive license or a nonexclusive license? Would  
15 it be restricted as to territory or nonrestricted.

16 Now, remember it would have to be restricted to  
17 the United States because these patents aren't good  
18 worldwide, they're good in the United States.

19 Would it be restricted in any way with respect to  
20 whom the manufactured product would be sold.

21 Four: Did Read have an established policy and  
22 marketing program to maintain its patent exclusivity by not  
23 licensing to others to use the invention, or was its policy  
24 to grant license under special conditions designed to  
25 preserve its patent exclusivity.

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1 Five: What's the commercial relationship between  
2 Read and Powerscreen? Are they competitors in the same  
3 territory, here the United States, in the same line of  
4 business? Or is one an investor or promoter of this  
5 technology?

6 Six: What would be the effect of selling the  
7 patented project -- the patented item in promoting the  
8 sales of other Read products? In other words, if you can  
9 sell the patented product is that going to raise your sales  
10 of other products which you manufacture?

11 That gives you a handle on the existing value of  
12 the invention to Read as a generator of sales of its

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13 nonpatented item. So you want to consider the extent of  
14 those derivative sales.

15 Seven: The duration of the patent. How much  
16 longer did it have to run at the time -- and you start  
17 figuring when the hypothetical royalty would have existed.  
18 You start figuring that at the time when the infringement  
19 started. Because the theory here is that you are finding  
20 infringement. So if you find infringement then how much  
21 longer did the patents have to run recognizing that they  
22 expired in 1999.

23 Nine: The utility and advantages of the patented  
24 items over older modes or devices, if there is any  
25 advantage. You compare them to the other things that are

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1 used in the industry to achieve results similar to the  
2 patented item.

3 Ten: The nature of the patented invention. The  
4 character of its commercial embodiment. That means the  
5 things that Read was actually producing. The benefits to  
6 those who have used the invention.

7 Eleven: The extent to which Powerscreen made use  
8 of the Read invention in its own marketing and production,  
9 and any evidence probative of that use.

10 In other words, if you think Read was -- if you  
11 think Powerscreen was infringing then how would that bear  
12 on the deal that would be cut relative to a reasonable  
13 royalty. Because you would have to consider the costs of a  
14 lawsuit and the likely result of the lawsuit.

15 Twelve: The portion of the profits or of the  
16 selling price that may be customary in a particular

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17 business or comparable business to allow for use of the  
18 invention or similar inventions.

19 Thirteen: The portion of the realizable profit  
20 that should be credited to the invention as distinguished  
21 from nonpatented elements, the manufacturing process,  
22 business risks, significant features or improvements that  
23 Powerscreen could bring to the license.

24 You may consider the testimony of those who I've  
25 permitted to give opinions on this issue.

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1 And last, fifteen, you may consider any other  
2 economic factor that normally a careful businessperson  
3 would under similar circumstances take into consideration  
4 in negotiating such a hypothetical royalty.

5 That's the floor. And Read says we're entitled to  
6 more than that. Because here Read says we have proved our  
7 lost profits. Read's going to argue what they would have,  
8 what they say they would have earned if only there had been  
9 no infringement.

10 Now, again Read's burden is by a fair  
11 preponderance of the evidence. And you recall the witness  
12 who testified as to a lost profits analysis.

13 All right. Here's what Read has to prove. Lost  
14 profits may be in the form of diverted sales, eroded  
15 prices, or increased expenses. Read must establish a  
16 factual basis for its claim of lost profits. The factual  
17 basis for this part of the claim is evidence that but for  
18 infringement Read would have made the sales that  
19 Powerscreen made, would have charged higher prices, or  
20 would have incurred lower expenses.

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21 In order to show that Read would have made the  
22 sales that Powerscreen made, Read must show: One, there  
23 was a demand for the Read project -- product; two, that  
24 there were no acceptable noninfringing substitutes  
25 available; three, that Read had the manufacturing and

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1 marketing capability to meet the market demand; and four,  
2 there was a reasonable probability that Read would have  
3 made the sale and realized the profits were it not for the  
4 infringement by Powerscreen.

5 Remember that in proving damages Read's burden of  
6 proof isn't an absolute one but rather a burden of  
7 reasonable probability, reasonable certainty. If in all  
8 reasonable probability Read would have made the sales which  
9 Powerscreen made, when Powerscreen was infringing, and you  
10 consider what the patent owner in reasonable probability  
11 would have netted from those sales, sales denied to Read,  
12 that's the measure of the loss. And for that Powerscreen  
13 would be liable under that analysis.

14 Remember, Read has to show that it has the  
15 marketing capability to have made Powerscreen's infringing  
16 sales and that it would have made Powerscreen's infringing  
17 sales but for Powerscreen's infringement.

18 But it's not required to show, Read isn't, that it  
19 actually bid on each of those jobs or was beat out by  
20 Powerscreen in a particular infringing sale. It is  
21 required to show a reasonable probability that if  
22 Powerscreen had not made the infringing sale Read would  
23 have made it.

24 Read says but that's not all. Read says, look, we

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25 sold the company to Nordberg based upon a multiple of our

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1 sales. And if our sales had been higher the multiple would  
2 correspondingly be higher and the Read company would have  
3 netted more from the sale to Nordberg.

4 Powerscreen says wait a minute. As to that part  
5 that's a wash. Because if, if Read had made more sales and  
6 therefore the purchase price had been larger, who paid that  
7 purchase price? Nordberg-Read. So it's just one hand  
8 feeding the other.

9 Well, I've looked at the, I've looked at the  
10 contract between the parties. And again a contract's like  
11 a law and the judge interprets the contract. And here's  
12 how this works.

13 If you find infringement Read gets the benefit of  
14 the lost sales analysis or reasonable royalty up to the  
15 time of the contract. And Nordberg gets the benefit of the  
16 lost sales, or the reasonable royalty after the time of the  
17 contract. And I'm going to sort that out. So you don't  
18 have to worry about that.

19 But on this business of would Nordberg have paid  
20 more for Read, looking at the contract Read gets all the  
21 benefit of that. So yes, you may consider whether but for  
22 the infringement Read would have made more sales. That's  
23 the lost profits analysis. But then you have to go on and  
24 consider has Read proved by, again by a fair preponderance  
25 of the evidence, that the same multiple of more sales would

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1 have been paid by Nordberg. If Read proves that by a fair

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2 preponderance of the evidence, and they would have gotten  
3 that additional money out of Nordberg, but for the  
4 infringing sales by Powerscreen, Read can recover that in  
5 this lawsuit. But if really Nordberg was up to its limit,  
6 I mean, it happened to be whatever multiple of sales it  
7 was, but they weren't going to pay anymore, then the fact  
8 that Read didn't get anymore is not attributable to  
9 Powerscreen here, it's attributable to the bargaining  
10 positions as between Nordberg and Read. And Read can't  
11 recover twice.

12 All right. Last question. Question 3. You don't  
13 get to Question 3 unless you have answered either -- oh,  
14 before I get to Question 3 let me stop.

15 Damages. You see I have two different damage  
16 lines there, because I have two different patents. All  
17 that Read is going to get in this case, if you award Read  
18 damages, it's going to get the larger of those two lines.  
19 I'm not going to add one on the other. It's going to get  
20 the larger of those two lines.

21 And the reason for that is, why do I even make  
22 things more complex. I think I have to for this reason.  
23 Read argues, but of course Powerscreen denies, but Read  
24 argues that the Powerscreen devices infringe by the  
25 doctrine of equivalents, the wheels business, the wheels

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1 claim, and also infringe on the '000 patent the  
2 longitudinal center plate claim. And Read can win on one  
3 or both of those. And since it's the same Powerscreen  
4 machines theoretically Read will win the same amount of  
5 money. And you can award the same amount of money,

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6 whatever it is, and then that's what Read will get.

7 But since Read has these different claims on the  
8 '000 and since the claim of literal infringement rests only  
9 on this, it is at least theoretically possible that you  
10 would give a lesser amount of money in answer to Question 2  
11 than you would in answer to Question 1. And I need at  
12 least to provide for that possibility. You must understand  
13 that Read will get the larger of the two amounts, but that  
14 I will not add them together. If Read wins here it will  
15 get the larger of the two amounts, and it is also  
16 theoretically possible that you would find the same amount  
17 in answer to Question both 1 and 2. But I leave that to  
18 you.

19 Now I'm ready to do 3. 3 is a question that  
20 really comes to me because I have to do certain things if  
21 you find for Read with respect to the answer to Question 3.

22 But since I need your advice and I need it  
23 officially, I need to explain to you this issue, even  
24 though there's no damage calculation with respect to this  
25 issue.

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1 Read finally says, in addition to the things we've  
2 claimed before, these Powerscreen people are guilty of  
3 what's called under the law willful infringement. Well,  
4 now as to this issue, and this issue only, they've got to  
5 do better than by a fair preponderance of the evidence.

6 Under the law, before you could find for Read on  
7 willful infringement you would have to find the willful  
8 infringement by clear and convincing evidence. And that  
9 means exactly what the words provide. You must unanimously

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10 be satisfied by evidence that is clear and convincing that  
11 Powerscreen not only infringed but that they willfully  
12 infringed.

13 Now, what does that mean? Willful infringement is  
14 proved if Read proves by clear and convincing evidence that  
15 Powerscreen was aware of its patents, knew about them, or  
16 knew about at least one of them, actually knew about them,  
17 and two, had no reasonable, good faith basis for its making  
18 or using or selling the item that you have found to be  
19 infringing, that Powerscreen had no reasonable, good faith  
20 basis for thinking that its putting its own item on the  
21 market in America, in the United States, would be proper.

22 Now, in this regard, in figuring out whether  
23 Powerscreen had a reasonable basis for reaching a good  
24 faith conclusion you may consider whether Read, now Read's  
25 got to prove it by clear and convincing evidence, has

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1 proved that Powerscreen did not exercise due care to  
2 determine whether the Read patents, what they applied to  
3 and were valid and existing once they learned of the Read  
4 patent.

5 Now, one common way to fulfill that duty is to  
6 seek and receive legal advice from a lawyer before  
7 beginning or continuing activities that might be  
8 infringing. Such legal advice must be competent,  
9 authoritative, timely, in order for Powerscreen to rely  
10 upon it to fulfill a duty of reasonable care.

11 You consider whether Read has proved that  
12 Powerscreen did not reasonably rely on any lawyer's  
13 opinion, as to the scope or validity of the Read patents,

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14 in determining whether Powerscreen had a reasonable basis  
15 for believing it had a right to make, use, or sell its  
16 product in the United States because, of course, it had  
17 every right to make, use, sell the products that are  
18 accused here in places other than the United States.

19 All right, ladies and gentlemen. Those are my  
20 instructions as to the law. I may have left something out,  
21 I may have misstated something, and before we give you the  
22 break now the lawyers get a chance to correct me, and we'll  
23 ask you to wait for a moment while they do that.

24 SIDEBAR CONFERENCE, AS FOLLOWS:

25 THE COURT: Mr. Pirozzolo?

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1 MR. PIROZZOLO: Your Honor, I believe you stated  
2 as to the weight transfer the bulk of the weight can be --

3 THE COURT: I did so state.

4 MR. PIROZZOLO: -- on the wheels. And I believe  
5 the Portec case says some of the weight remains on the  
6 wheels.

7 THE COURT: But that's --

8 MR. PIROZZOLO: Them it continues that it was more  
9 than, it must be more than 50 percent.

10 THE COURT: I know, but that's, that's how I read  
11 Portec, that some of the weight remains on the wheels.

12 MR. PIROZZOLO: That some may remain on the  
13 wheels.

14 THE COURT: Yes, some may. But the bulk must be  
15 on the wheels. Otherwise it wouldn't be a transference. I  
16 read -- well, I'm reading the same language as you are.  
17 That's the sense I have.

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18 I'm standing on my instruction.  
19 MR. PIROZZOLO: We ask for Request 25, to  
20 specifically point out that there's no reason for treating  
21 infringement by equivalents any differently from literal  
22 infringement.  
23 THE COURT: You did ask and I think I covered the  
24 concept. I'm not changing.  
25 MR. PIROZZOLO: Request 28.

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1 THE COURT: I certainly gave you that.  
2 MR. PIROZZOLO: I guess you did, your Honor.  
3 THE COURT: I think I did.  
4 MR. PIROZZOLO: Okay. On the center plate, as I  
5 read the cases, and I believe we cited a number of them, if  
6 a device is easily susceptible of being altered to  
7 infringe, that is in and of itself infringement, not just  
8 inducement to infringe. So that by putting the center  
9 plate out there with bolt holes --  
10 THE COURT: All right. Your rights are saved.  
11 I'm satisfied with the way I've construed it.  
12 MR. PIROZZOLO: I believe Mr. Beeman is going to  
13 argue that Mr. Read didn't invent the wheel and didn't  
14 invent the jack, that kind of argument. That is why we  
15 asked for the instruction: Only God works from nothing.  
16 Men must work with old elements.  
17 THE COURT: No, I --  
18 MR. PIROZZOLO: It can be given in many ways but  
19 the point is --  
20 THE COURT: If I need to correct the argument I'll  
21 correct it.

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22 Mr. Beeman.  
23 MR. BEEMAN: Yes. Could we just switch spots,  
24 Jack.  
25 Your Honor, first, Mr. Davis was, Mr. Davis, the

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1 former CFO, had testified in prior testimony he had  
2 submitted an expert report regarding the matter of what  
3 I'll call the diminution in value alleged by virtue of the  
4 infringing period, we didn't get as much for our company.  
5 They presented no expert opinion from Mr. Davis on that  
6 matter. It was simply dropped. Okay? It would be our  
7 position, your Honor, that there's no evidence in this case  
8 whatsoever on that issue.

9 THE COURT: Yes. I'm not taking it from the jury.

10 MR. BEEMAN: Okay. Your Honor, we would also  
11 object -- well, we intend to present the record here as to  
12 the duration or how long it took from the time that they  
13 first inspected the machine to actually suing Powerscreen,  
14 and that's going to be attributable as to whether they  
15 literally infringed. Related to that we believe that  
16 almost invokes a laches, at the very least a laches defense  
17 here for that period of time.

18 THE COURT: You may argue it but I'm not further  
19 charging.

20 MR. BEEMAN: Okay. And just for the record, your  
21 Honor, just to make sure our rights are saved, we object  
22 related to the fact of litigation as presented.

23 THE COURT: You object to what I have already  
24 said.

25 MR. BEEMAN: Yes. Yes, your Honor.

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1 THE COURT: Right. And your rights are saved as  
2 to that. I do understand it. We've discussed it.

3 MR. BEEMAN: Okay, can I just also make sure that  
4 our rights are saved as to the addition regarding bulk of  
5 weight.

6 THE COURT: You don't like that either?

7 MR. BEEMAN: Well --

8 THE COURT: You didn't --

9 MR. BEEMAN: The fact that it's there at all.

10 THE COURT: Right. You do object. Your rights  
11 are saved.

12 MR. BEEMAN: Thank you. And also as to the  
13 inefficient infringement is still infringement. And  
14 then --

15 THE COURT: I'm satisfied, but your rights are  
16 saved.

17 MR. BEEMAN: Thank you, your Honor. One final  
18 thing. As to the statement during the charge related to  
19 unscrupulous copier.

20 THE COURT: You don't like that language.

21 MR. BEEMAN: Correct.

22 THE COURT: All right. I'm satisfied with the  
23 charge.

24 MR. BEEMAN: Thank you, your Honor.

25 MR. PIROZZOLO: Your Honor?

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1 (Whereupon the sidebar conference concluded.)

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2 THE COURT: I don't think that it's inappropriate  
3 to tell you, this has nothing to do with the case, but we  
4 have a class of students here led by a teacher who's a  
5 former juror and who sat right where you're sitting now.

6 All right. We're going to take the recess now for  
7 15, maybe 20 minutes, let them get ready for final  
8 arguments. You've had my instruction as to the law. But  
9 please keep your minds suspended. And as I see you're  
10 doing leave your materials here. I should also say that  
11 when we finally send you out, which will be after the final  
12 arguments, Ms. Smith will want to collect those verdict  
13 slips. We only have one verdict slip in the, in the jury  
14 room. But they can stay with your papers now.

15 So keep your minds suspended. Do not discuss the  
16 case either among yourselves nor with anyone else. You may  
17 stand in recess for 20 minutes. We'll be back for the  
18 important part of the case to include the closing arguments  
19 of the attorneys.

20 The jury may retire. I'll remain on the bench.

21 THE CLERK: All rise for the jury.

22 (Whereupon the jury left the courtroom.)

23 (Closing Arguments.)

24 THE COURT: Madam Forelady, as forelady of the  
25 jury, it doesn't mean you do all the talking, nor do you

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1 keep your mouth shut. And really, I'm talking to all of  
2 you. Set things up in the jury room now so that each and  
3 every one of you can fully and fairly discuss those matters  
4 which you are discussing. In other words, as you're  
5 considering an aspect of the case, set things up so that

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6 the opinions or the views of one juror can be listened to  
7 by all the others and people can talk together about those  
8 views.

9 You may, of course, use your notes, that's why we  
10 let you take notes. Remember that your notes are not  
11 evidence of anything either. They just jog your own  
12 memory. And so use your notes to do just that, jog your  
13 memory and then express your view to your fellow jurors.  
14 Deliberate together. Jury deliberations are all twelve of  
15 you, not three or four off in the anteroom and some other  
16 people over by the door. Deliberate together.

17 It's probably not a good idea, even though the  
18 verdict slip has the separate questions, it's probably not  
19 a good idea at the outset of your deliberations to take a  
20 straw vote. And the reason for that is you may then think  
21 that under your oath, you're required to adhere to that  
22 first view. Now, if you have any strong view of any aspect  
23 of this case, by all means adhere to it.

24 The verdict must be unanimous. That means  
25 genuinely unanimous; all twelve of you agreeing, not

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1 somebody going along with what the others think. But you  
2 are entitled to change your views if the views of your  
3 fellow jurors who saw and heard the same evidence, who are  
4 under the same oath as you are, in fact convince you to  
5 revise your views. That's what deliberations are.

6 Now, there's no pressure on you to return a  
7 verdict. I mean, there's the expression of the system that  
8 we hope we can get a unanimous verdict, but because the  
9 verdict must be unanimous, there's no pressure on you at

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10 all.

11 So I'll explain the schedule so we'll be very  
12 clear. Once I send you out now, you're in charge. If we  
13 don't hear from you at about ten minutes of 5:00, five  
14 minutes of 5:00, I'll call you back in and I will excuse  
15 you to come back in on Tuesday morning. No one's going to  
16 be kept after 5:00.

17 If you reach a time in your deliberations where  
18 you want to stop, you have only to send out a note. I have  
19 to give you some instructions then, but I'd bring you in  
20 here, give you those instructions and we'll send you home.

21 Now, I gave you fair warning so I imagine this  
22 afternoon is clear on your calendars, but if you get to a  
23 point where you'd rather sleep on it or think about it over  
24 the weekend, you just tell us. We'll stop, come back on  
25 Tuesday morning and go on with your deliberations.

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1 I should just, not to emphasize them, but so  
2 you're comfortable with them, understand all the mechanical  
3 things of how this works, lunch is at 1:00. We've arranged  
4 for lunch for you.

5 When we send you out now, Ms. Smith will be sure  
6 to take back the verdict slips, but she will leave a  
7 verdict slip with the forelady. She will come in just as  
8 soon as we have the written transcript of my charge, and  
9 she will leave that. She will come in on however many  
10 trips it takes to bring the exhibits in, though you may  
11 start your deliberations just as soon as I send you out  
12 now.

13 Naturally, she will say nothing at all of

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14 substance of the case nor will you to her. And when she's  
15 coming in, stop your deliberations.

16 If you have a question of any sort, don't hesitate  
17 to ask the question. Give us a few minutes to set things  
18 up because the lawyers are entitled to go off to the  
19 cafeteria. I tell them five minute-leash; I want them here  
20 in the courtroom five minutes after I get the question so I  
21 can answer the question. Don't you hesitate to ask a  
22 question in writing, if you have one. We'll bring you back  
23 and I'll answer your question.

24 Now, when you reach a verdict, let the court  
25 security officer, who will have you in his care, and be

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1 right outside the door. Let the court security officer  
2 know. Don't give him the verdict, just say, we've got a  
3 verdict. Then give us a few minutes, we'll set everything  
4 up. This will prove we work in the afternoons, we're here.  
5 We'll set everything up, we'll all come in, and  
6 Ms. Smith -- don't bring the exhibits back, just bring the  
7 verdict slip back.

8 And Ms. Smith will say to you: Ladies and  
9 gentlemen, have you agreed upon a unanimous verdict? We  
10 imagine if you're back with a verdict slip, that you have.  
11 And she will say, will you pass the verdict slip? You pass  
12 to her and it's given to me. I look at it for just one  
13 reason, and that is to see that it is logical.

14 So let's go over the logic of the verdict slip.  
15 I've asked you three questions. If the answer to the first  
16 two questions is for Powerscreen, don't answer the third  
17 question. If the answer to either of the first two

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18 questions is for Read, then consider the third question.  
19 It doesn't mean Read wins on the third question, but you  
20 consider it, so I need to know whether your verdict is for  
21 Read or Powerscreen on the third question.

22 With respect to the first two questions, because  
23 you're considering separate patents, remember that the  
24 theory of liability on Question 1 is infringement by virtue  
25 of the doctrine of equivalence. With respect to

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1 Question 2, there are three different theories. Your  
2 answer to the sub i there can be no or yes. Your answer to  
3 sub ii can be no or yes. But if your answers to sub i and  
4 sub ii are both no, your answer to sub ii must be no.

5 If your answer to either one of the preceding  
6 subsections is yes, then your answer to sub iii may or may  
7 not be yes, as you find the matter proved or not proved.

8 Remember damages, if you get to the stage of your  
9 analysis where you consider damages, remember that I will  
10 award the larger of the two amounts that are set forth on  
11 the verdict slip, but I will not add the two together.  
12 Remember that the amount of damages, if you reach that  
13 point in your deliberations, may, with perfect logic, be  
14 equal -- be the same, be the same, but it is at least  
15 theoretically possible that the damages for one will be  
16 less than the damages for the other. And if that happens,  
17 while I need to know that, I would enter judgment for the  
18 larger of the two amounts. Then I've got to look at it and  
19 see that the forelady signed it and dated it. That's the  
20 only reason I look at it.

21 So when I look it over and I see that it is at

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22 least logical and it answers the questions that I've put to  
23 you, I give it to Ms. Smith and I say, The verdict is in  
24 order, it may be recorded. Then she'll ask you to stand  
25 up. It's the only time in the entire case where you stand

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1 up and the rest of us sit here. And then she will read out  
2 in open court your verdict. And it reads out logically.  
3 It reads the answers that I need to have to enter a  
4 verdict.

5 If, at that moment, while each of you stand there,  
6 you, individually, are satisfied with your own conscience  
7 that your duty is faithfully done, then you will have done  
8 what's required of you in this case.

9 The word "verdict" comes from two Latin words.  
10 They mean, "to speak the truth." That is what is asked of  
11 you in this case, to speak the truth.

12 Very well. The jury may retire and commence their  
13 deliberations. I'll remain on the bench.

14 THE CLERK: All rise for the jury.

15 (Whereupon the jury commenced its deliberations at  
16 12:05 p.m.)

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C E R T I F I C A T E

I, Donald E. Womack, do hereby certify that the  
above portions of proceedings were reported by me  
stenographically and this transcript represents a true and  
accurate transcription of said proceedings.

AAAAAAAAAAAAAAAAAAAAAAAAAAAAA

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